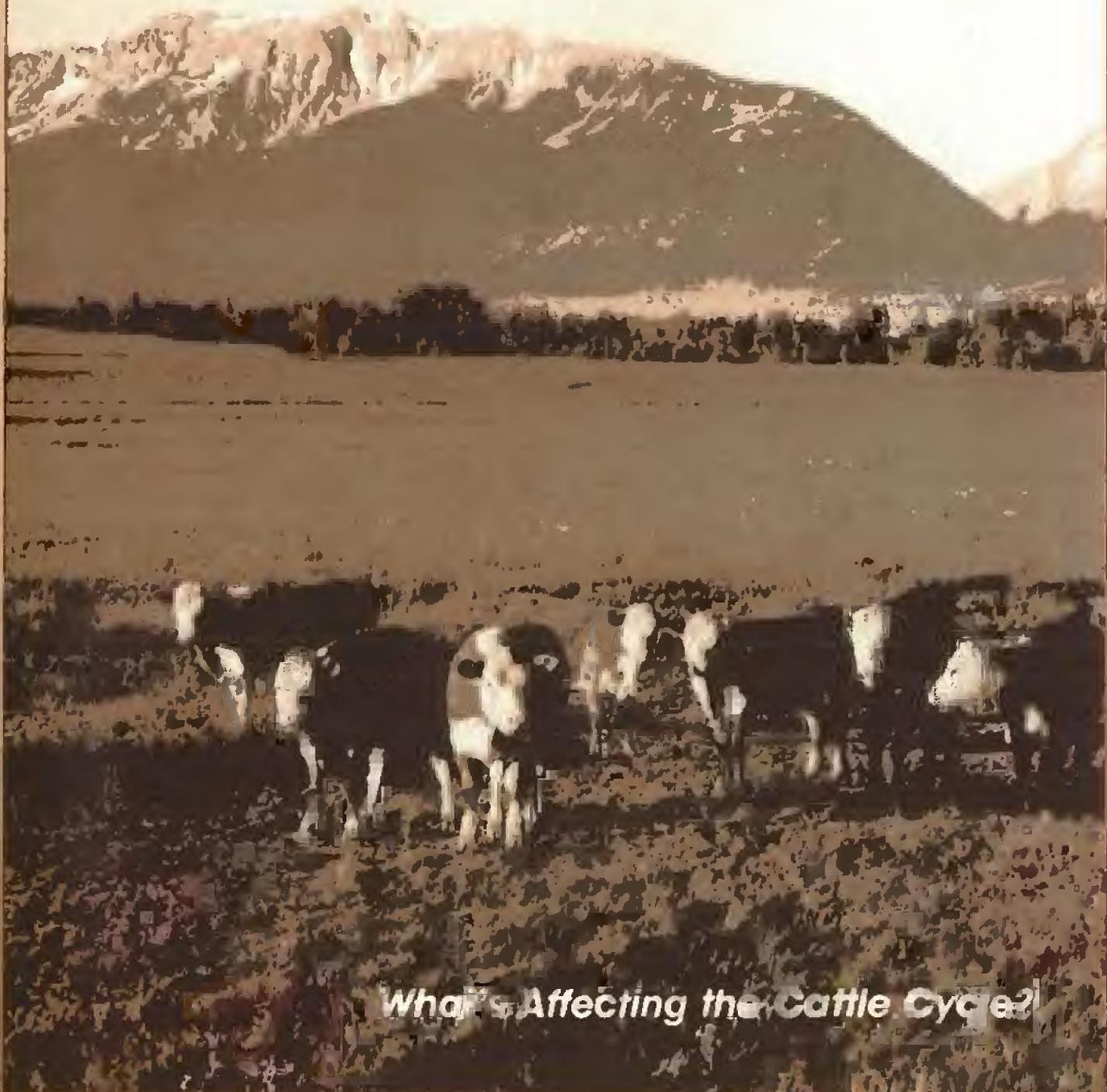


*Eric*

# AGRICULTURAL OUTLOOK

September 1983

Economic Research Service  
United States Department of Agriculture



*What's Affecting the Cattle Cycle?*

# AGRICULTURAL OUTLOOK

September 1983/AO-91



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# In

## Brief... News of Crop Yields, the Livestock Outlook, and Food Prices

### Agricultural Economy

Hot, dry weather during late July and August has reduced production prospects for major field crops. Farmers had already substantially reduced spring plantings in response to 1983 acreage reduction programs. Now, yields of corn and other feed grains, along with oilseeds and cotton, will fall well below average because of pollination problems and a lack of moisture in many areas—further reducing production.

The recent rise in feed prices will limit the number of cattle put on feed this fall, and has already forced feedlot operators to bid down the price of feeder cattle. Feeder pig prices have also come under pressure, and many pork producers will have fewer sows bred in the months ahead. Chick placements will probably be affected the least, even though feed represents about 70 percent of the cost of producing broilers. Broiler producers will be gearing up to take advantage of declining pork production in 1984.

### Income and Finance Update

The farm sector's balance sheet situation is improving slightly during 1983—mostly because of no growth in debt and rising land values. The net equity of all farms is expected to rise 4 to 6 percent in 1983, after declining the past 2 years. Adjusted for inflation, the farm sector's equity may rise slightly for the first time since January 1, 1980. Total farm assets, including those of farm households, are forecast to rise 3 to 5 percent, while farm debt will likely remain near the previous year's level. The last time total farm debt didn't rise was 1946.

### World Agriculture and Trade

The value of U.S. agricultural exports is forecast at \$34.5 billion in fiscal 1983, about 12 percent less than last year's \$39.1 billion and the lowest since fiscal 1979. Export unit values



are projected to average 3 percent lower, while total volume is expected to fall 9 percent to 143.5 million metric tons, the lowest in 4 years. With U.S. farm imports placed at \$16.2 billion, the agricultural trade surplus is estimated at \$18.3 billion.

Continuing weak import demand, strong export competition, and a still-strong dollar have hurt U.S. agricultural sales abroad this year. Sales of several major commodities are down in volume, value, and market share.

### Food and Marketing

Despite recent hot, dry weather, food supplies will be abundant, and the Consumer Price Index for food will change little during the remainder of 1983. Food prices are still forecast to rise 2 to 3 percent this year, probably marking the smallest increase in 16 years.

For 1984, the increase in food prices will likely be higher, but a bit below the general rate of inflation. Most of the increase will result from a further rise in marketing costs and from stronger farm prices for some commodities. In addition, demand created by economic recovery will push up food prices.

This year's drought will affect livestock prices in the second half of next year because fewer animals will be fed through winter and spring. Retail beef and pork prices are expected to climb as supplies drop in the third and fourth quarters of 1984.

### Storage and Transportation

The storage situation at harvest is expected to be better this year than last. In many areas, on-farm storage will be more than adequate. In other areas, however, producers will have to rely on commercial storage, which is expected to be ample this year. As with every harvest, some localities may experience temporarily tight storage.

### Aberrations in the Cattle Cycle

Until recently, changes in the cattle inventory have been one of the more reliable cyclical movements in the agricultural economy. However, the present cycle has not followed the general pattern of the previous eight recorded since the late 1880's. The real abnormality, however, may well have occurred in the previous cycle, rather than in the present one. The previous cycle lifted cattle numbers to a record high, followed by an extremely sharp liquidation as land shifted from pasture to crops. Meanwhile, changes in the pork and broiler industries increased the competition. All these factors will remain important to the cattle industry throughout this decade.



## Agricultural Economy

Hot, dry weather during late July and August has reduced production prospects for major field crops. Farmers had already substantially reduced spring plantings in response to 1983 acreage reduction programs. Now, yields of corn and other feed grains, along with oilseeds and cotton, will fall well below average because of pollination problems and a lack of moisture in many areas—further reducing production.

In early August, the smaller plantings and lower yields were expected to reduce 1983 crop production 19 percent from last year's record high. Feed grain production was projected down more than a third from 1982, while food grain and oil crops were anticipated to fall 15 to 20 percent. Because of recent harsh weather, further substantial deterioration in yields is likely. Therefore, the decline in crop output will be sharper than earlier anticipated, and markets will continue to be sensitive to day-to-day weather developments until farmers have completed the fall harvest.

The impact of smaller crops will be buffered by huge stocks from large harvests in 1981 and 1982. At the beginning of the corn marketing year (October 1), the carryin of old-crop corn will top 3.4 billion bushels—nearly half actual use in 1982/83. Soybean stocks will likely equal 22 percent of use, substantially above normal

beginning stocks. Wheat stocks on June 1 rose to more than 60 percent of use, and August 1 cotton holdings jumped to 75 percent.

Smaller crops will, however, lead to some reduction in 1983/84 supplies of feed grains, soybeans, and cotton. But by any historical standard, supplies should be adequate for domestic use and exports.

Because of the smaller crops, livestock producers face higher feeding costs. Corn prices at central markets have been averaging \$3.60 to \$3.70 a bushel in recent weeks, up about \$1.50 from last August when the record-large 1982 crop was looking better each week. Soybean meal prices have risen more than 50 percent from a year earlier.

The recent rise in feed prices will limit the number of cattle put on feed this fall and has already forced feedlot operators to bid down the price of feeder cattle. Feeder pig prices have also come under pressure, and many pork producers will have fewer sows bred in the months ahead. Chick placements will probably be affected the least, even though feed represents about 70 percent of the cost of producing broilers. Broiler producers will be gearing up to take advantage of declining pork production in 1984.

Rising consumer incomes will help bolster meat demand, but the large supplies expected this fall and winter will push farm prices for livestock and poultry below summer levels. Pork will account for most of the increase in meat output, reflecting the end of the upswing in the hog cycle. The squeeze on livestock feeders' returns means that more nonfed steers, heifers, gilts, and sows will be slaughtered, augmenting meat supplies.

The adjustment to higher feed costs will likely run through 1984, with fed cattle marketings trailing off by late winter and pork production dropping below year-earlier levels in the second half. On the other hand, broiler production will probably continue to increase, especially in the second half of next year, as it becomes apparent that supplies of competing meats will decline.

The impact of smaller crops on 1983 farm income will not be great. Farmers will have less to sell, but prices will be higher. Of course, individual farmers who have suffered crop losses will have their income reduced, but the 1983 farm programs will help participants maintain income. Higher crop prices will likely reduce the importance of price support payments for 1983 crops. (Donald Seaborg (202) 447-8376)

## LIVESTOCK HIGHLIGHTS

### Cattle

Hot, dry weather has heightened the uncertainty surrounding meat supplies and prices this fall and in 1984. Although expected large meat supplies, particularly pork, were already holding down cattle prices, rising grain prices and the uncertain future condition of pastures and ranges have forced prices for stocker-feeder cattle lower.

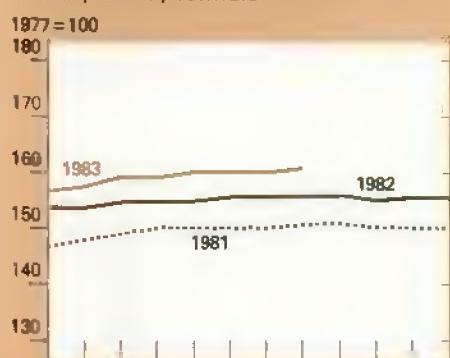
Forage supplies in early August were adequate for the smaller cattle inventory; pasture and range conditions were above average. This year's hay crop, while down from last year's record, is expected to be the third largest in the last 10 years. However, if rains don't arrive by early fall, the forage situation through winter will be critical.

The number of cattle on feed in the seven major feeding States on August 1 was 1 percent larger than a year ago and 7 percent above 1981. Net feedlot placements in July were 4 percent below a year ago. Meanwhile, marketings rose 1 percent, indicating fairly good movement. Nevertheless, there likely was some backup—suggested by a large number of heavier animals on feed July 1 and marketings that were down 11 and 8 percent in Kansas and Texas, respectively, during July. Through fall, fed cattle marketings will remain above a year earlier.

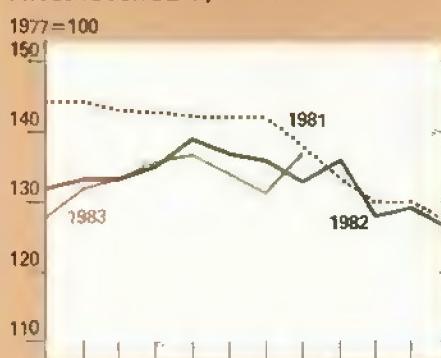
Cattle prices have leveled off since early July. Prices for Choice fed steers at Omaha averaged in the low \$60's per cwt. utility cows near \$40, and yearling feeder steers near \$60. The key to fourth-quarter prices will be the weather through mid-fall. If conditions continue dry, more animals will be marketed as producers sell stocker cattle and more closely cull the breeding herd. This would increase meat supplies and force prices lower this fall and winter. (Ronald A. Gustafson (202) 447-8636)

# Prime Indicators of the Agricultural Economy

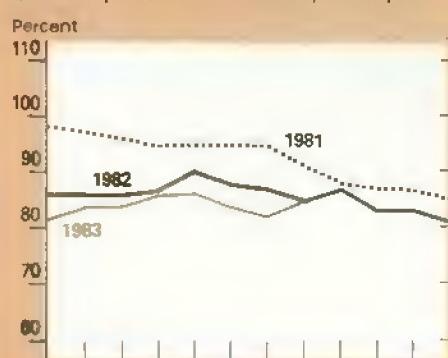
## Prices paid by farmers<sup>1</sup>



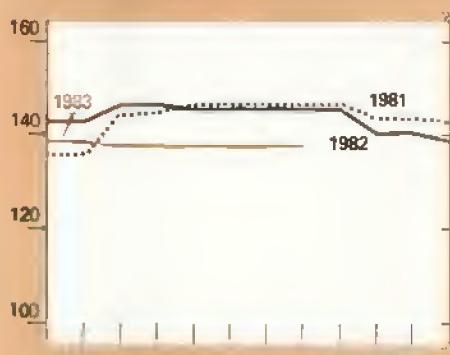
## Prices received by farmers<sup>2</sup>



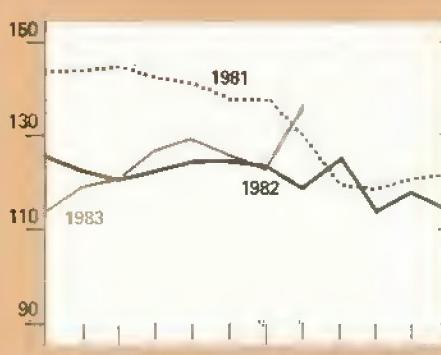
## Ratio of prices received to prices paid



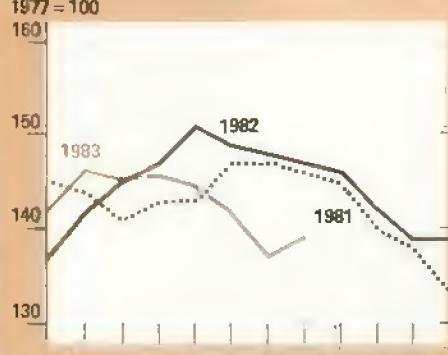
## Fertilizer prices



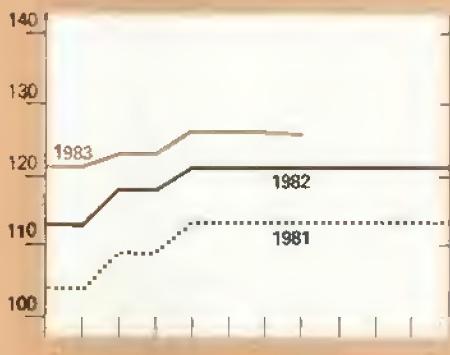
## All crops



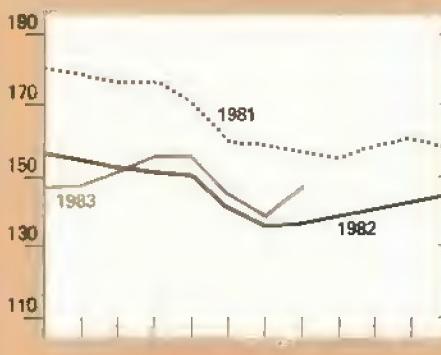
## Livestock and products



## Agricultural chemicals



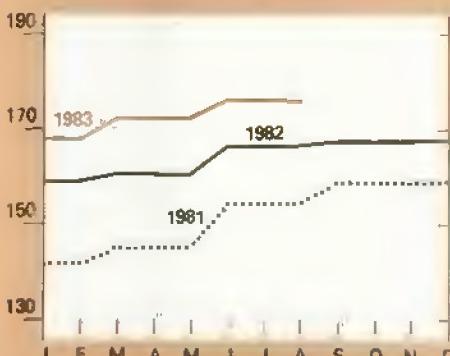
## Food grains



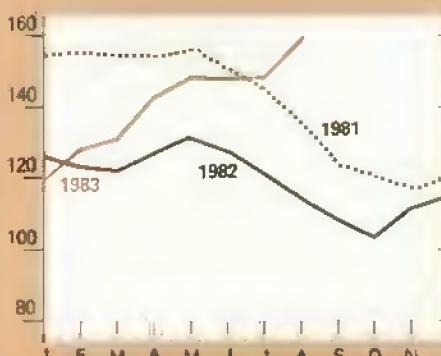
## Meat animals



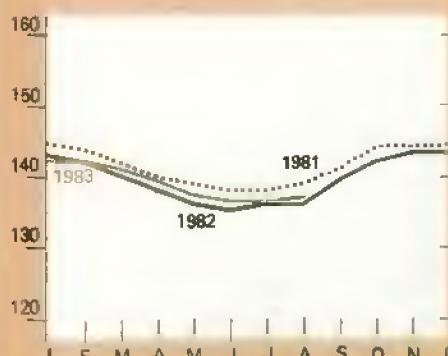
## Tractors and self-propelled machinery



## Feed grains and hay



## Dairy products



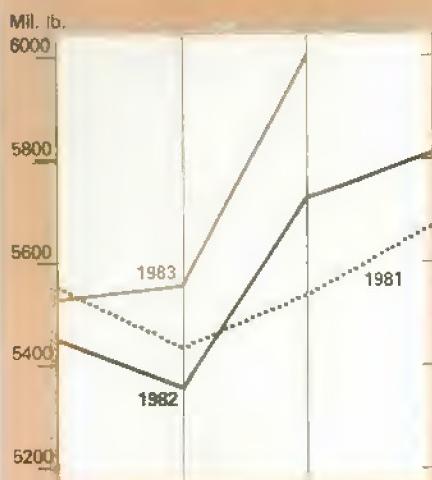
<sup>1</sup>For commodities and services. Interest, taxes, and wages.

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1977=100.

<sup>2</sup>For all farm products.

## Supplies Update: Livestock and Products

Beef<sup>1, 5</sup>



Broilers<sup>2</sup>

Mil. lb.

1125



Eggs<sup>3, 5</sup>

Mil. doz.

1500



Pork<sup>1, 5</sup>

Mil. lb.

4500

4250

4000

3750

3500

3250

3000

2750

2500

2250

2000

1750

1500

1250

1000

750

500

250

0

Turkeys<sup>2</sup>

Mil. lb.

350

300

250

200

150

100

50

0

Milk<sup>4, 5</sup>

Bil. lb.

35

34

33

32

31

30

<sup>1</sup>Commercial production. <sup>2</sup>Federally Inspected slaughter, certified. <sup>3</sup>Farm production, marketing year beginning Dec. 1. <sup>4</sup>Total production.

<sup>5</sup>Forecast for latest quarter.

### Hogs

Hot, dry weather in the North Central States continues to reduce marketings and the average live weight of barrows and gilts. In August, higher feed costs, along with a rise in hog prices, led producers to sell barrows and gilts at much lower weights. In mid-August, the average live weight at the seven major markets was 230 pounds, compared with 245 in mid-June.

The reduced marketings and lighter weights, along with economic recovery, have rallied hog prices. Prices in August averaged about \$49 per cwt, up \$3 from July. However, higher feed prices have offset most of the gains, so in August, farrow-to-finish producers just about covered cash costs.

The poor returns and unfavorable outlook have prompted producers to sell sows. Sows accounted for 6.9 percent of total slaughter during July and the first half of August, compared with the 1975-82 average of 6.3 percent. This high rate suggests that producers are reducing the breeding herd. Sow slaughter was 7.1 percent of the total, compared with a 1975-82 average of 6.1 percent.

Commercial pork production is still forecast at 3,575 million pounds this summer. Before the recent improvement in hog prices, expected higher pork production and plentiful supplies

of other meats had weakened prices, despite increases in consumer income. Prices will probably drop in September as marketings increase seasonally and the hogs delayed by weather come to market. For the third quarter, prices are expected to average \$45 to \$47 per cwt. [Leland W. Southard (202) 447-8636]

### Broilers

Despite an increase in the cost of producing broilers—due to higher feed costs—broiler producers likely made a profit in July and August. Broiler prices have strengthened because producers reduced the number of eggs set and chicks placed for third-quarter slaughter—a response to reduced returns in the first half. Continued price

strength is questionable, however, because of increased supplies of red meat late in the third quarter and into the fourth.

During July 1983, the wholesale price for whole birds in 12 cities averaged 53 cents a pound, up from the 9-city price of 46 cents last year. During the third quarter, prices are expected to average 51 to 54 cents, up from last year's 9-city price of 44 cents. With the seasonal decline in demand during the fourth quarter and larger supplies of pork, broiler prices will likely average 42 to 46 cents, compared with last year's 41.

With a modest reduction in the number of chicks hatched, output during the third quarter is expected to be the same or 2 percent less than a year earlier because slaughter weights have been near last year's and some birds have been lost due to heat. During the fourth quarter, output is forecast the same to 2 percent above the 2,911 million pounds produced last year.

[Allen J. Baker (202) 447-8636]

#### Turkeys

During the second quarter, turkey meat output from federally inspected plants was 578 million pounds, up 9 percent from a year earlier. Based on the number of pouls hatched for slaughter in the third quarter, output may be 4 to 6 percent above third-quarter 1982's 761 million pounds. Given the number of turkey eggs currently in incubators, output in the fourth quarter may be about the same as last year's 759 million pounds.

In June, cold storage stocks of frozen turkey were 29 million pounds below the 282 million a year earlier. During the third quarter, stocks are usually built up to supply the seasonal increase in demand during the fourth quarter.

During July, wholesale prices for 8- to 16-pound young hen turkeys in New York averaged 58 cents a pound, down from 64 cents last year. Even with an increase in stocks, prices during the third quarter are expected to average 57 to 60 cents, down from 65 last year. With an increase in pork supplies and turkey production near last year's level, fourth-quarter prices are projected to average 61 to 65 cents, near last year's 64. [Allen J. Baker (202) 447-8636]

#### Eggs

During the third quarter, egg production is expected to decline 1 to 4 percent from the 1,437 million dozen produced last year. Higher prices for feed ingredients have hiked costs and lowered returns through first-half 1983.

Poor returns have caused producers to cut back replacement pullets, and fewer hens will enter the laying flock through the remainder of 1983. To offset the fewer replacements, producers have been force molting their old hens and keeping them for another laying cycle. Thus, output hasn't been down nearly as much as the decline in replacement pullets might imply. During the fourth quarter, producers are expected to continue force molting, and egg production will likely decline 2 percent from last year's 1,479 million dozen.

During July, prices for cartoned Grade A large eggs delivered to stores in New York averaged 68 cents a dozen, up from 64 cents last year. With reduced supplies in the third quarter, egg prices are expected to average 70 to 74, up from last year's 66. Fourth-quarter prices could average 69 to 73 cents, near last year's 71. [Allen J. Baker (202) 447-8636]

#### Dairy

Commercial disappearance of all milk and dairy products on a milk-equivalent, fat-solids basis during first-half 1983 was down almost 2 percent from a year earlier. For the rest of the year, sales are expected to recover somewhat, but total yearly disappearance will likely be down about 1 percent from 1982.

The weak sales have partly resulted from the large donations under the needy persons program. Eligible recipients have likely reduced commercial purchases, but secondary recipients—those who may have been given excess dairy products by participants—also probably decreased purchases.

Gains in milk production continued in July with an increase of 2.1 percent from a year earlier—the 51st consecutive month of year-over-year increases. The continuing gains are the result of additional cows and more milk per cow.

Some dairy farmers may reduce their herds this fall and winter, because

USDA started collecting a second 50-cent deduction on September 1, and because high feed prices will likely continue until next summer. As a result, the increase in milk production is expected to slow and could stop by mid-1984, even though gains in output per cow will likely continue. For 1983, milk production is forecast up about 2 percent from 1982's record 135.8 billion pounds.

With milk production higher and commercial disappearance lower, purchases by the Commodity Credit Corporation during 1983 are expected to total between 16 and 18 billion pounds (milk-equivalent), compared with last year's 14.3 billion. Purchases for the first half of the year were 12.9 billion pounds, up more than 20 percent from a year earlier. [Clifford M. Carman (202) 447-8636]

## CROP HIGHLIGHTS

#### Wheat

The 1983 wheat harvest is now estimated at 2.42 billion bushels. Harvested acreage was reduced 23 percent from last season, a reflection of heavy participation (75 percent) in the acreage reduction programs, particularly the payment-in-kind (PIK). However, above-average growing conditions in most winter wheat areas caused record yields in many States. Thus, total 1983 production will be down only 14 percent from 1982's alltime high, and supplies for this marketing year remain nearly the largest ever. In contrast, projected disappearance will be down slightly, leaving ending stocks at a continued record high.

Accordingly, USDA announced provisions of the 1984 wheat program, another effort to reduce production. The program includes a 30-percent acreage reduction requirement, compared with 15 percent in 1983, and an optional 10 to 20 percent PIK reduction with a payment rate equal to 75 percent of the base yield. The payment rate is down from 95 percent in 1983. The 1984 program does not include a paid land diversion provision. A producer must participate in the 30-percent acreage reduction program to be eligible for the target price of \$4.45 a bushel and the average loan rate of \$3.30.

One of the 1984 provisions makes the January-February signup for either program binding. Farmers who fail to comply will be fined. In past years, growers could delay their decision to comply until 4 weeks before harvest, even though they had enrolled at an earlier date.

Winter wheat producers are now deciding whether to participate in the 1984 program. The increased target price should favor participation, because expected farm prices in 1984/85 may be below the target. However, the reduced loan level and PIK payment rate, in addition to the 15 percent higher acreage reduction requirement, may detract from the appeal of the program. The binding signup may also hurt participation. Furthermore, producers double-cropping wheat and soybeans may find it too costly to give up the production of high-priced soybeans. Overall, 1984 compliance probably won't match 1983's 75 percent of the base acreage.

World wheat production in 1983/84 is projected to equal last year's record 480 million tons. Good weather increased the forecasts for Canada, the United Kingdom, and Turkey, but the crop in Eastern Europe will likely be lower than earlier expected. The foreign harvested area outside the USSR will increase for the sixth straight year, while Soviet area is expected to be the smallest since at least 1955. Global consumption is forecast to about match last year and will likely fall below production for the third consecutive year.

World trade is forecast at 99 million tons, approximately unchanged from the last 2 years. Stagnant global trade and increased supplies from foreign exporters make prospects for U.S. exports uncertain.

Wheat production in the major foreign exporting countries—Canada, Australia, Argentina, and the European Community (EC)—is up 6 million tons from last year, but their export volume is forecast to increase only 1 million. Canada will enjoy a large crop, while the Australian and Argentine outturns could increase. The EC decision to limit stocks adds pressure to export the surplus. On the import side, the USSR has been slow to buy grain, and larger-than-expected Chinese output may limit that country's imports. In addition, a good monsoon raises questions about Indian imports. [Allen Schienbein (202) 447-8444 and Bradley Karmen (202) 447-8857]

#### Rice

U.S. rice production is forecast at 107 million cwt for 1983/84, down 31 percent from last season and 41 percent below the record 1981 crop. Harvested acreage is expected to total 2.31 million, compared with 3.25 million last year. Acreage is down in all States because of strong participation in the 1983 rice program.

The national average yield is forecast at 46.4 cwt per harvested acre, compared with last year's 47.4. Lower yields were reported in every State except Arkansas and Mississippi, which had only slight gains from last year. An exceptionally cool, wet spring slowed crop development and delayed planting in every State, pushing crop maturity behind last season. As of mid-August, harvest was just beginning in Texas and Louisiana.

Rice supplies for this season are forecast at 176 million cwt, with total disappearance still projected at 139.5 million cwt. Therefore, ending stocks are expected to fall to about 36 million cwt from 1982/83's record 68 million.

The large decline in production and prospects of smaller ending stocks should boost average farm prices from 1982/83's disappointing \$8.18 per cwt. Farm prices for rough rice are forecast between \$8.50 and \$10 during 1983/84.

The world outturn of milled rice in 1983/84 is forecast at 283 million tons, up marginally from a year earlier. Foreign output may rise 1 percent, with large gains likely in India and Thailand. The biggest change is expected in China, the world's largest producer, which may see a 6-percent drop from last year's outstanding crop.

World trade will likely remain depressed, and U.S. sales will suffer. U.S. exports are forecast down 12 percent to 2.2 million tons in 1983, and may hold at that level in 1984. Furthermore, the U.S. share of world trade is expected to again be below 20 percent because of aggressive Thai marketings, high U.S. prices, and depressed demand in key markets. With a reasonably good South Korean crop, U.S. sales to that country may be small. Exports to Nigeria will likely remain low, and credit allocations will be important in promoting sales to other African countries. [Barbara Stucker (202) 447-8444 and Eileen M. Manfredi (202) 447-8912]

#### Feed Grains

As of August 1, the forecast for the 1983 corn crop was lowered 1 billion bushels to 5.2 billion because of poor growing conditions in July. Continued hot, dry weather during the first half of August likely resulted in further crop deterioration.

Although Reserves IV and V have been triggered, farmers are holding corn stocks tighter, and prices have been strong. The price of corn in central Illinois was \$3.60 to \$3.70 a bushel in late August—about 50 cents higher than when Reserve IV was triggered. Farmers will likely continue to sell cautiously until they have more information on this year's harvest. However, prices probably won't stay this high throughout the 1983/84 marketing year.

Disappearance of corn may total about 7.2 billion bushels next crop year. Higher prices will affect domestic feed use more in the 1984/85 feed year than in 1983/84. So, with greatly reduced production, a sharp drop in carryover stocks is in prospect for 1983/84, sharply cutting the corn surplus that has hung over the market for the past 2 years.

Because of the expected sharp reduction in U.S. output, world coarse grain supplies will tighten, but they will still be more than adequate to meet anticipated use. Foreign production will increase almost 5 percent, with two-thirds of the gain in the USSR. Foreign feed use outside the USSR has not increased appreciably since 1979, and no gain is expected for 1983/84.

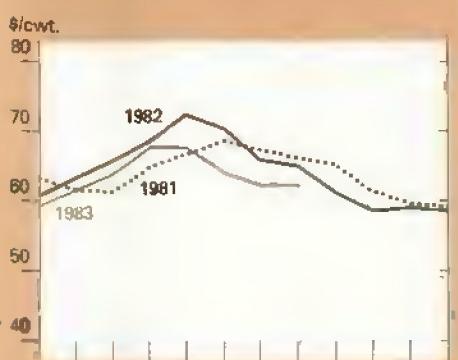
World coarse grain trade in 1983/84 (October-September) is forecast to increase about 3 million tons from the previous year. Total foreign exports will likely drop from 1982/83, because South Africa, usually an exporter, will need to import 2 million tons because of drought. The forecast for U.S. exports in 1982/83 was reduced, reflecting a slowdown in shipments. The estimate for U.S. exports in 1983/84 was also lowered slightly in July. [Larry Van Meir (202) 447-8776 and Bradley Karmen (202) 447-8857]

#### Oilseeds

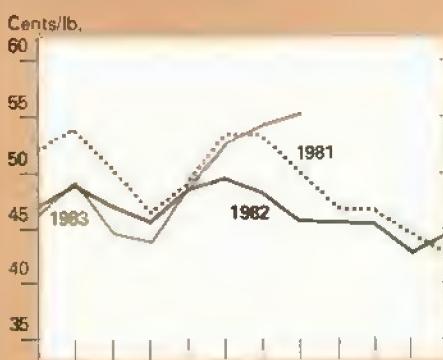
Hot, dry weather has led to sharply reduced projections for U.S. soybean production; as of August 1, output was placed at 1.8 billion bushels. The average yield was forecast at 29.7 bushels an acre, well below the 32-bushel

# Commodity Market Prices: Monthly Update

Choice steers<sup>1</sup>



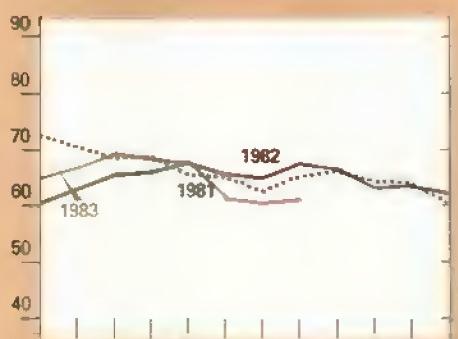
Broilers<sup>4</sup>



Corn<sup>6</sup>



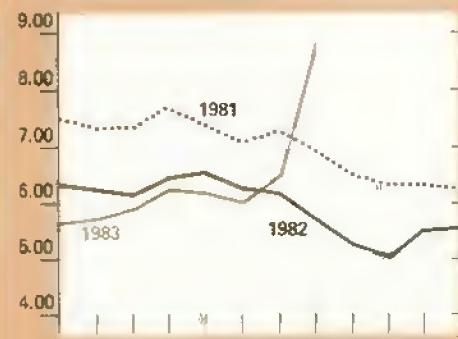
Choice feeder cattle<sup>2</sup>



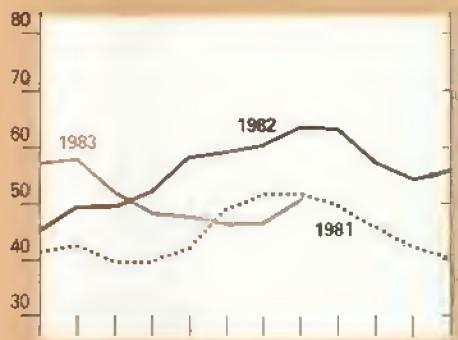
Eggs<sup>5</sup>



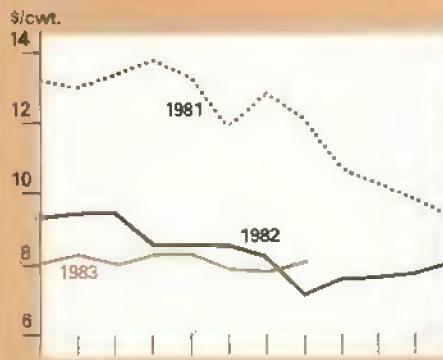
Soybeans<sup>7</sup>



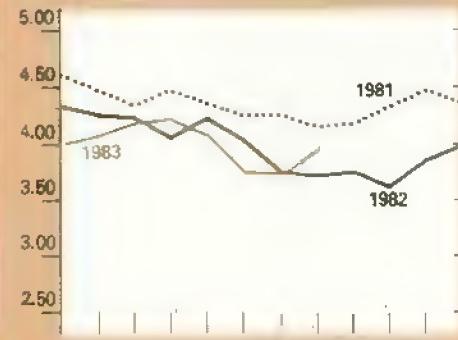
Barrows and gilts<sup>3</sup>



Rice (rough)



Wheat<sup>8</sup>



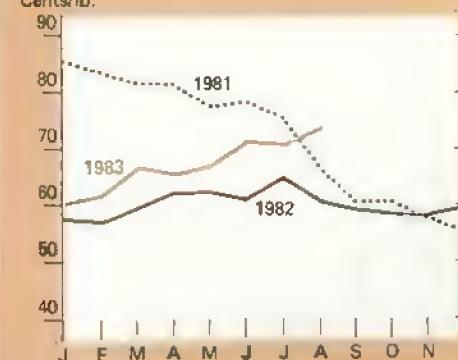
All milk



Sorghum grain



Cotton<sup>9</sup>



Prices for most recent month are mid-month prices.  
1Omaha. 2600-700 lbs., Kansas City. 37 markets.

4Wholesale, New York. 5Grade A Large, New York.

6No. 2 Yellow, Chicago. 7No. 1 Yellow, Chicago.

8No. 1 HRW, Kansas City.

9Average spot market, SLM, 1-16."

trend. The total supply for 1983/84 would be about 2.3 billion, nearly 10 percent below last season's record.

However, continued harsh weather during August, the critical pod-filling period for soybeans, likely produced further deterioration in the crop. By late August, cash prices for soybeans had exploded to \$8.80 a bushel.

Lower production and tightened supplies will limit consumption gains, as rising prices act to ration use. With the outlook for reduced supplies, the 1983/84 crush is forecast to be only marginally above 1982/83's 1.1 billion. Exports are expected to drop 8 percent from this season's estimate of 900 million bushels. Soybean meal use will likely be up slightly from 1982/83 because of reduced supplies of cottonseed and sunflowerseed meal. Even though prices may rise, soybean oil use could expand slightly because of economic recovery.

Because use responds somewhat slowly to changes in prices, ending stocks of soybeans in 1983/84 could fall precipitously.

Prices for soybeans and products should be much higher during 1983/84. The season-average price for soybeans could be \$6.50 to \$8 a bushel. Soybean meal may be between \$200 and \$230 a ton, well ahead of 1982/83's \$185. Soybean oil is forecast at 20 to 25 cents a pound, compared with 19.5 in the season now ending.

Reduced production is in store for cottonseed and sunflowerseed as well. Forecasts place 1983 cottonseed production at 3.13 million tons, a 34-percent slide from 1982. In addition, sunflowerseed yields will likely be lower. The production declines should tighten supplies and raise prices of both crops.

Because of the smaller U.S. soybean crop, world oilseed production is forecast at 172.1 million metric tons in 1983/84, a 5-percent decline from 1982/83. World protein meal consumption was previously anticipated to gain 2.5 percent, but will probably remain near the 1982/83 level. Soybean meal use will likely decline, with the sharpest drops in the European Community (EC) and Eastern Europe. In the EC, other feeds will be less expensive than soybean meal because of feed wheat

subsidies and other domestic policies. In Eastern Europe, high prices may crimp imports in this already financially stressed region.

The Soviet Union is expected to increase soybean meal use in 1983/84; record livestock numbers are stimulating Soviet imports. So far, the USSR has purchased 200,000 tons of U.S. soybeans for delivery in fiscal 1984.

U.S. soybean shipments are projected at 22.6 million tons, down 8 percent, while exports of soybean meal are forecast to fall 3 percent. Soybean oil exports may remain near 1982/83's 862,000 tons, but import demand may be dampened if U.S. credit offers are cut back.

World soybean oil prices are climbing. The lower U.S. soybean crop and reduced coconut oil supplies are pushing up most vegetable oil prices. [Roger Hoskin (202) 447-8776 and Jan Lipson (202) 447-8855]

#### Cotton

An anticipated increase in U.S. mill use, a slight rise in exports, and a 4.2-million-bale drop in production are expected to push U.S. ending stocks down to 4.7 million bales in 1983/84. The stocks-to-use ratio is expected to fall to 0.42, compared with 0.75 in 1982/83.

The 1983 cotton crop is forecast at 7.8 million bales, 4.2 million less than in 1982. Even with beginning stocks of about 8 million bales, this year's supply will be approximately 2.8 million bales less than last year.

U.S. demand for fiber products is strengthening as real disposable income and population grow. Moreover, cotton is successfully maintaining its market share at about 24 percent of total fiber use, indicating continued consumer taste for natural fibers. Mill use is expected to rise to 5.9 million bales in 1983/84, marking the first time since 1965 that use will increase 2 straight years.

The major foreign producers, almost without exception, are forecast to maintain or increase output in 1983/84. The foreign crop could be more than 5 percent larger than in

1982/83, offsetting most of the 35-percent decline in the United States and leaving world production down only 2 percent.

The forecast for China's outturn has been increased to 17 million bales because of generally good weather and greater-than-anticipated planted acreage. If realized, this would be a crop more than twice as large as U.S. output. Also, the USSR is expected to increase production 0.5 million bales to 12.5 million. Soviet production problems persist, but 1982/83's poor harvest weather probably won't recur.

Mexican production should rebound about 25 percent from last year's low. India, Pakistan, and Brazil may have improved yields, while larger area should boost production in Turkey and the Sudan. Expanded irrigation supplies could push Australian production up more than 35 percent.

World cotton consumption may increase 3 percent in 1983/84, because improved textile demand will likely accompany economic recovery in several industrialized countries.

U.S. cotton exports are projected to rise slightly to 5.3 million bales (1.5 million metric tons) in 1983/84. The USSR and Mexico, two major competitors, have limited supplies because of reduced beginning stocks. Furthermore, crops in the Southern Hemisphere, harvested late in 1982/83 but largely marketed at the beginning of 1983/84, were damaged by bad weather. These factors, combined with the tendency of the payment-in-kind program to move stocks onto the world market, should give the United States a larger market share during the first part of the year.

However, increases in U.S. exports may be limited later on because of reduced supplies and increased competition. On balance, U.S. export volume this season could be only marginally higher than in 1982/83, and may remain more than 40 percent below 1979/80. [Terry Townsend (202) 447-8444 and Edward W. Allen (202) 382-9820]

#### Peanuts

The August forecast for 1983/84 peanut production is 3.5 billion pounds (in-shell basis), 2 percent above last year, but 12 percent below 1981/82. Harvested area is estimated at 1.33

million acres, up 4 percent from last year, but the yield is forecast at 2,639 pounds, down 57 from 1982/83's record high.

About 2.5 billion pounds of this season's output will be eligible under quota for domestic food use, leaving about 1 billion pounds of "additional" peanuts eligible for export and crushing. Overseas sales should pick up this season, partly because of the misfortunes of U.S. competitors. World production is off for the second consecutive year, and global consumption of high-quality, food-use peanuts, such as those produced in the United States, has been climbing steadily since 1978/79. [Jorge Hazera (202) 447-8444]

#### Tobacco

Tobacco production is forecast at 1.51 billion pounds during 1983, 24 percent below 1982 and the lowest since 1943. Smaller yields for all types and classes, plus curtailed acreage for most, resulted in lower August forecasts across-the-board. Flue-cured production is expected to total 825 million pounds, down 18 percent from last year and the lowest in 40 years. Burley output may decline to 559 million pounds, a 31-percent drop from last year's record high.

Auctions for U.S. flue-cured tobacco opened in Georgia and Florida on July 27. By August 15, all markets were open. Prices through August 25 averaged about 3 cents a pound lower than a year earlier because of sluggish cigarette sales and weak export demand. Prices may improve, however, as more upper-stalk tobacco is marketed and demand for this leaf strengthens.

The Price Support and Stabilization Act, amended on July 25, holds this season's support prices at the 1982 level for tobacco produced under marketing quotas. The new law will help ensure that the tobacco program operates at no net cost to taxpayers.

World tobacco production is forecast at 13.4 billion pounds in 1983, 10 percent below last year's record. In addition to lower U.S. output, smaller production in China, India, Brazil, Korea, Italy, Cuba, Bulgaria, and Poland will more

than offset increases in Canada, Zimbabwe, Malawi, Pakistan, and South Africa. The largest reduction is expected in China, where government acreage restrictions and reduced grower prices are projected to lower output 28 percent.

All leaf types except Oriental will show smaller outturns. World flue-cured production will likely fall 15 percent, and burley 5 percent. [Verner N. Grise (202) 447-8776]

#### Fruit

Supplies of fresh noncitrus fruit are expected to be adequate this fall, mainly because the U.S. apple crop is forecast at 8.4 billion pounds, 3 percent more than in 1982. Pear production, at 824,000 tons, will be 2 percent more than last year. Nevertheless, total noncitrus production will be 6 percent less than a year ago; the grape crop, projected at 5.9 million tons, will be down 11 percent from last year, and peach output is forecast to drop 14 percent.

The index of grower prices for fresh and processing fruit continued to decline in July. The index was down 13 percent from June and 48 percent from last year's high—reflecting lower prices for oranges, peaches, and strawberries. With larger crops of apples and pears, as well as the remaining supplies of oranges, prices are expected to remain below a year ago through early fall.

Although the July Consumer Price Index for fresh fruit continued to advance seasonally, it was 2 percent below a year earlier. Continuing this pattern, prices will likely rise monthly until larger supplies of apples and citrus become available this fall; however, prices will remain lower than last year's. In contrast, retail prices of processed fruit have stayed slightly higher than a year earlier, primarily reflecting increases for canned fruit and juices. With the improved economy and tight supplies for some canned items, retail prices of processed fruit will likely remain high. [Ben Huang (202) 447-7290]

#### Vegetables

This summer's hot, dry weather will have only a small impact on overall vegetable supplies and prices. The most pronounced effects have been in such summer vegetable areas as upstate New York, the Delmarva Peninsula, and Michigan. The fresh-market

crops most affected are summer potatoes, snap beans, sweet corn, and cabbage. Also, the drought has combined with the wet, cool spring to reduce the output of some processing vegetables, but larger beginning stocks will leave total 1983/84 supplies slightly less than a year earlier.

Mushroom production during 1982/83 dropped 5 percent from 1981/82's record, to 491 million pounds. Fresh-market production gained 6 percent and accounted for 69 percent of the total outturn, compared with 30 percent in 1972/73 and 48 percent in 1977/78. Meanwhile, processing production fell 22 percent to the lowest level since 1970/71, continuing the industry's change from a processing to fresh-market orientation. This pattern reflects increased domestic consumption of fresh vegetables and the competitive disadvantage of American processors compared with those in Asia.

During 1982/83, the average grower price for all mushrooms rose to a record-high 88 cents a pound, compared with 81 cents in 1981/82. Higher average prices pushed the value of growers' sales to \$431 million.

During 1983/84, growers intend to fill 140 million square feet of bed or tray area, compared with 135 million in 1982/83. Based on that area and trend yields, production could total about 510 million pounds. A further rise in canned mushroom imports and the probable increase in U.S. production should continue the recent years' pattern of fairly stable grower, wholesale, and retail prices. [Michael Stellmacher (202) 447-7290]

#### Sugar

World production of centrifugal sugar could drop to about 95 million tons in 1983/84, down 4.7 percent from the current season and nearly 6 million tons below the 1981/82 record. World sugar use is expected to rise from 1982/83's estimated 93 million tons, possibly by enough to surpass production and slightly reduce this season's heavy stocks.

World sugar prices (f.o.b. Caribbean) averaged 10.5 cents a pound in July, slightly below June, but still up from the second-quarter average of 8.9 cents. Prices will likely remain at 10 cents a pound through 1983 and then could rise, depending on prospects for 1984/85 production and demand.

The U.S. sugar beet yield is lower than in 1982/83, and sucrose content will also likely fall. Beet sugar output is forecast at 2.7 million tons (raw basis), about equal to 1982/83, despite an almost 2-percent rise in harvested area. Sugarcane acreage is up, and cane sugar output should be close to last season's 3.1 million tons. The combined output of beet and cane sugar is forecast between 5.5 and 5.9 million tons, with prices perhaps averaging 21.7 cents a pound.

In July, wholesale list prices for refined sugar stayed at June levels, but were 1 to 2.5 cents above calendar 1982. Retail prices in July averaged 36.5 cents a pound, 0.6 cent more than during May and 2 cents above 1982.

Forecasts of 1983 consumption of sugar and corn sweeteners continue at 9 million (8.4 million, refined) and 6.13 million short tons, respectively. High fructose corn syrup (HFCS) will account for almost all the expected 500,000-ton rise in corn sweeteners. Further gains by HFCS are expected in 1984.

Prices for 55-percent HFCS continued to advance in July, to 23.5 cents a pound in New York, up a half cent from June and 6.5 cents from the first quarter. Further price rises are possible this year. [Robert Barry (202) 447-7290]

#### Upcoming Economic Reports

Title	Summary Released
Livestock & Poultry	Sept. 29
Ag. Supply & Demand	Oct. 13
Oil Crops	Oct. 14
Ag. Supply & Demand	Oct. 25
Vegetables	Oct. 28

For subscription information, write or call: EMS Information, Rm. 440 GHI Bldg, 500 12th St. SW, Washington, D.C. 20250 (202) 447-8590. Summaries are available on AGNET on the dates indicated; AGNET will have the full reports within 2 to 3 days of summary release.



## Income and Finance Update

### OUTLOOK FOR 1983:

#### Assets, Equity To Rise; Debt To Level Out

The farm sector's balance sheet situation is improving slightly during 1983—mostly because of no growth in debt and rising land values. The net equity of all farms is expected to rise 4 to 6 percent in 1983, after declining the past 2 years. Adjusted for inflation, the farm sector's equity may rise slightly for the first time since January 1, 1980. Total farm assets, including those of farm households, are forecast to rise 3 to 5 percent, while farm debt will likely remain near the previous year's level. The last time total farm debt failed to rise was in 1946.

#### Farmland Values To Increase

Improved prospects for farm income and the continued economic recovery here and abroad suggest that nominal farmland values will increase during 1983. Acreage reduction programs and weather-reduced yields have raised crop prices, and continued high prices going into 1984 could spur increased interest in farmland purchases during the next year. Federal Reserve policy contributed to lower nominal interest rates in the first half of 1983. With lower nominal interest rates and expectations for improved cash income

from farming, more farmers will likely qualify for loans in 1983. However, high real interest rates and the lower value of this year's farm exports could limit increases in farm real estate values.

Farm real estate assets, which account for three-fourths of total farm assets, could rise 4 to 6 percent in 1983 from the estimated \$772.5 billion of January 1, 1983—reversing a 2-year decline. Farm real estate values should rise faster in areas where they dropped the most in 1982. In particular, prices should recover in the Corn Belt where acreage reduction programs and dry weather have increased crop prices. However, increases in farm real estate values during 1983 are not likely to completely erase the losses in 1982. Adjusted for inflation, real estate assets are forecast to remain about even with a year earlier.

Nonreal estate assets are forecast to rise 1 to 3 percent during 1983, from \$276.3 billion the previous year. The value of farmer-owned crops stored on and off farms is expected to remain about even with a year earlier as higher prices offset reduced stocks. Nevertheless, this forecast is highly tentative because of the unknown marketing pattern of the payment-in-kind (PIK) commodities, which will be caused mostly by the 5-month storage provision for PIK.

Financial assets (deposits and currency, savings bonds, and investments in cooperatives) are forecast to rise 2 to 4 percent from the \$47.7 billion estimated for January 1, 1983. Cooperative investments will likely expand more than savings bonds or currency and deposits.

#### Nonreal Estate Debt To Decline

Total farm debt on January 1, 1984, may not change greatly from the \$216.3 billion of a year earlier. While debt secured by farm real estate may rise 2 to 4 percent during 1983, non-real estate debt could decline 3 to 7 percent from the \$106.8 billion estimated for 1982. Factors underlying this forecast include:

- Reduced input purchases due to acreage reduction programs.
- Slow, although still increasing, machinery sales.
- Large PIK-related loan redemptions from the Commodity Credit Corporation (CCC).

### Farm Balance Sheet<sup>1</sup>

	1980r	1981r	1982r	1983p	1984F
\$ Bill.					
<b>Assets</b>					
<b>Physical assets:</b>					
Real estate . . . . .	756	828	819	773	790-830
Nonreal estate:					
Livestock and poultry . . .	61	61	54	53	51-55
Machinery & motor veh . . .	96	103	109	111	112-116
Crops stored . . . . .	34	36	36	42	40-44
Household equip. & furn . .	17	19	21	23	22-26
<b>Financial assets</b>					
Deposits and currency . . . .	16	16	17	17	17-19
U.S. savings bonds . . . . .	4	4	4	3	2-4
Investments in coops. . . . .	21	23	25	27	26-30
<b>Total assets . . . . .</b>	<b>1,005</b>	<b>1,090</b>	<b>1,083</b>	<b>1,049</b>	<b>1,070-1,110</b>
<b>Claims</b>					
<b>Liabilities:</b>					
Real estate debt . . . . .	85	96	106	110	111-115
Nonreal estate debt:					
Excluding CCC loans. . . . .	75	81	88	91	90-94
CCC loans . . . . .	5	5	8	15	8-12
<b>Total liabilities . . . . .</b>	<b>166</b>	<b>182</b>	<b>202</b>	<b>216</b>	<b>213-217</b>
<b>Proprietors' equity . . . . .</b>	<b>40</b>	<b>908</b>	<b>882</b>	<b>833</b>	<b>860-900</b>
<b>Real equity (1972\$) . . . . .</b>	<b>514</b>	<b>508</b>	<b>454</b>	<b>402</b>	<b>395-415</b>
Thousands					
<b>Number of farms<sup>2</sup> . . . . .</b>	<b>2,428</b>	<b>2,434</b>	<b>2,400</b>	<b>2,400</b>	<b>2,380-2,400</b>
\$ Thou.					
Per farm assets . . . . .	414	448	451	437	440-480
Per farm debt . . . . .	68	75	84	90	88-92
Per farm equity . . . . .	346	373	367	347	350-390
Percent					
Debt-to-asset ratio . . . . .	16.5	16.7	18.6	20.6	19-21
Debt-to-equity ratio . . . . .	19.7	20.0	22.9	26.0	24-26

F = Forecast. r = revised. p = preliminary. <sup>1</sup> As of January 1 of year indicated; including farm households. <sup>2</sup> August 1982 Crop Production report. Estimated 1983 figures.

A decline in CCC debt will be the major force behind the drop in nonreal estate debt. However, the magnitude of the decline is more uncertain than usual and mainly depends on when farmers (except wheat farmers) choose to take their PIK entitlements, and on the amount of new CCC loans made during the final quarter of 1983. If CCC loans are excluded from calculations, this year's expected pickup in loans for machinery will likely offset the decline in operating loans, leaving nonreal estate debt up slightly. This increase would be the smallest since this debt declined slightly on January 1, 1969.

### DEVELOPMENTS IN 1982

Farm-sector equity fell 5.5 percent from January 1, 1982, to January 1, 1983, the largest drop since data were first collected in 1940. The drop was due to lower farm income, higher-than-normal real interest rates, and low returns. This was the second consecutive year that equity values fell. Corrected for inflation, the January 1, 1983, equity values dropped 28.1 percent from the 1980 peak.

The value of the farm sector's assets dropped 3.1 percent. Real estate, which accounted for approximately 74 percent of total assets, dropped the most, followed by livestock and poultry inventories and savings bonds. The value of crop inventories increased the most, followed by the net worth of farmer-owned cooperatives, machinery, household equipment and furnishings, and deposits and currency.

Farm debt rose 7.3 percent, the lowest increase since 1970 and mostly due to large growth in CCC stocks. CCC debt climbed 92.6 percent. Real and non-real estate debt, excluding CCC debt, rose 3.8 and 3.7 percent, respectively.

The debt-to-asset ratio increased from 18.6 percent to a record-high 20.6 percent during 1982. This ratio indicates the risk involved in loaning funds, because farmers with large debt-to-asset ratios are most likely to experience cash flow problems. However, most farmers who needed funds in 1982 were able to obtain them.

The ratio of interest paid to adjusted cash income from farming is a more direct measure of the farm sector's ability to meet interest expenses, payments on farm debt, and family living expenses. Adjusted cash income is gross cash receipts from farming minus all cash expenses, with the exception of interest and principle payments, capital purchases, and family living expenses. Interest as a percentage of adjusted cash income rose 5.9 percentage points between 1981 and 1982, reaching 42.9 percent. Consequently, reports from the Federal Reserve Banks indicate that a greater-than-usual percentage of farmers had difficulty in repaying their loans. When possible, farmers with a high debt-to-asset ratio reduced their debts and interest payments by partial liquidation of assets.

### Farmland and Animal Inventory Values Down

Real estate values declined 5.7 percent between April 1, 1982, and April 1, 1983. Surveys done by Federal Reserve Banks indicate that in most areas farmland values decreased in the last three quarters of 1982 and then increased during the first quarter of 1983. The drop in the value of farm real estate was largely due to low crop prices and high interest rates in 1982 and the expectation of low returns in the future. The Government's announcement of PIK in January 1983 raised

**Value of Physical Inventories, Jan. 1, 1979-1983**

	1979	1980	1981	1982	1983p
\$ MIL					
<b>Crops</b>					
Feed . . . . .	11,494	13,907	15,132	14,447	17,828
Food . . . . .	3,197	3,670	3,998	4,880	5,066
Oilseed . . . . .	4,693	5,884	5,960	5,857	6,397
Hay & forage . . . . .	6,041	7,296	8,027	8,115	8,519
Cotton . . . . .	1,508	1,740	1,233	1,636	1,970
Other . . . . .	1,102	1,037	1,554	1,525	1,336
Total . . . . .	28,035	33,534	35,904	36,260	42,116
<b>Livestock</b>					
Cattle & calves . . . . .	44,698	55,831	54,292	47,967	46,749
Hogs & pigs . . . . .	5,013	3,775	4,821	4,114	4,784
Other . . . . .	1,628	1,769	1,695	1,520	1,367
Total . . . . .	51,339	61,375	60,808	53,601	52,900
<b>Mach. &amp; motor veh.</b>					
Autos . . . . .	7,195	6,345	6,743	7,342	6,997
Motor trucks . . . . .	8,059	8,371	8,344	9,744	10,014
Tractors . . . . .	22,973	29,176	28,974	30,537	31,377
Other . . . . .	46,851	52,867	57,452	61,214	62,564
Total . . . . .	85,078	96,750	102,513	108,837	110,952
<b>Total physical inventory.</b>	<b>164,452</b>	<b>191,859</b>	<b>199,225</b>	<b>198,698</b>	<b>205,968</b>

p = preliminary.

hopes for lower crop supplies and higher prices. This helped pushed up farmland values in the first quarter.

The value of livestock and poultry inventories decreased 1.3 percent between January 1, 1982, and January 1, 1983. The value of the cattle herd, accounting for 89 percent of all animal inventories, decreased 2.5 percent, as both the price per head and quantity declined. The increase in the hog and pig inventory partially offset the drop in the value of the cattle herd. The value of sheep, chickens, and turkeys also declined.

Machinery values rose 1.9 percent during 1982, the smallest increase since 1960. Capital expenditures on automobiles, tractors, and other equipment declined, while expenditures for farm trucks climbed slightly. High real interest rates, combined with low crop prices, forced farmers to postpone machinery purchases until financial conditions improved. Depreciation on all farm machinery and equipment outpaced investment by \$6 billion.

The value of crop inventories on January 1, 1983, increased 16.2 percent from a year earlier. The increase was caused by substantially larger stocks, particularly for off-farm CCC holdings. The big 1982 harvest, combined with

higher-than-normal 1981 ending stocks, pushed down prices. Therefore, stocks increased as farmers stored their grain in expectation of higher prices in 1983. The value of corn inventories increased 23.6 percent, as stocks climbed 29 percent. The value of wheat holdings rose 28.7 percent; stocks soared 39 percent. Soybean stocks and their value were also up significantly.

Despite the recession and the lower inflation rate during 1982, the value of farmers' household equipment and furnishings increased 8.8 percent. Furthermore, the sum of currency, demand deposits, and time deposits rose 3.8 percent, the largest increase since 1974. Instead of purchasing capital items, such as farm real estate and machinery, farmers increased their liquid assets. However, savings bonds continued to decrease because of competition from other investments.

Farmers' net worth in cooperatives increased 8.9 percent from 1981. The net worth of Federal land bank, rural electric, and telephone cooperatives expanded 16 to 18 percent, while Production Credit Associations showed slower increases—7.9 percent. The slowest expansion occurred in marketing and purchasing cooperatives and may have been due to decreases in farmers' expenditures for manufactured inputs and the small increase in cash receipts.

**Outstanding Farm Debt, Jan. 1, 1979-1983**

	1979r	1980r	1981r	1982r	1983p
\$ MIL					
<b>Real estate debt</b>					
Federal land banks . . . . .	24,619	29,642	35,944	43,564	47,180
Farmers Home Adm . . . . .	4,121	7,111	7,715	8,744	9,085
Life Insurance co . . . . .	10,478	12,185	12,928	13,074	12,801
All operating banks . . . . .	8,557	8,523	8,745	8,387	8,441
Individuals & others . . . . .	23,638	27,880	30,180	31,770	32,000
Total . . . . .	71,413	85,421	95,512	105,39	109,507
<b>Nonreal estate debt</b>					
All operating banks . . . . .	28,273	31,034	31,567	32,948	36,149
Prod. Credit Assoc . . . . .	14,876	18,021	19,611	21,014	20,070
Fed. inter. credit banks . . . . .	509	665	810	913	871
Farmers Home Admin . . . . .	5,780	8,982	11,756	14,452	14,759
Individuals & others . . . . .	14,297	16,810	17,721	18,780	19,530
CCC loans . . . . .	5,666	5,070	4,978	8,011	15,433
Total . . . . .	69,401	80,382	86,443	96,118	106,812

r = revised. p = preliminary.

Nominal Capital Gains on Physical Farm Assets, 1978-1982<sup>1</sup>

	1978	1979	1980	1981	1982p
\$ MIL.					
Real estate . . . . .	100,237	101,355	73,034	-548	-44,197
Mach. & motor vehicles <sup>2</sup> . . .	6,961	10,821	7,344	9,727	8,863
Livestock & poultry . . . . .	20,384	9,898	1,912	7,341	-28
Crops stored on farms . . . . .	698	1,695	8,202	10,139	-682
Total . . . . .	128,280	123,769	87,668	-8,301	-36,044

p = projected. <sup>1</sup> Includes farm households. <sup>2</sup> Farm use only.

## Growth in Debt Slows

While total assets declined 3.1 percent, outstanding farm debt increased 7.3 percent, the smallest rise since 1970. The 1982 rise in real estate debt slowed dramatically compared with increases during the last 10 years. This 3.8-percent increase in real estate debt resulted from farmers' reluctance to purchase land, which stemmed from high real interest rates, expectations that farmland values might continue to fall, cash flow problems, and low farm income. These problems reduced farmers' ability and desire to borrow. Interest expenses for farm real estate accounted for 7.5 percent of total expenses in 1982, compared with 5.9 percent in 1980.

Nonreal estate debt, excluding CCC loans, increased 3.7 percent in 1982. Farmers spent less on machinery, lowering the growth in nonreal estate loans. The interest on nonreal estate loans accounted for 8.1 percent of total expenses in 1982, up 1.4 percentage points from 1980.

CCC loans expanded 92.6 percent during 1982, as farmers placed their crops in the program when prices fell. Outstanding crop loans soared 114.5 percent, while loans for storage and drying facilities fell 16 percent.

## Farmers See Second Year Of Capital Losses

Changes in farm-sector equity come from two sources—unrealized capital gains or losses, and changes in retained earnings from farm and non-farm sources. Farmers incurred capital losses of \$36 billion in 1982—the second consecutive year of losses after a decade of substantial gains.

Farm real estate showed a loss of \$44 billion in 1982. Since 1970, capital investment on land improvements and buildings has exceeded depreciation on buildings every year except 1972, 1981, and 1982. The amount spent on capital investment declined \$0.6 billion in 1982, as farmers postponed real estate investments until financial conditions improved. The majority of the capital loss from real estate resulted from the decline in farmland values.

Farm machinery was the only asset that had a capital gain in 1982. This \$9 billion gain resulted from increases in the value of machinery and equipment. Net investment was negative, as depreciation exceeded gross investment by \$6 billion.

Livestock and poultry inventories showed neither a capital gain nor loss, as increases in the hog sector more than offset losses from cattle. With the exception of hogs and pigs, all livestock and poultry prices declined. There was a capital loss of \$0.7 billion on crop inventories as prices fell. [Linda Farmer (202) 447-8342 and Gary Lucier (202) 447-4190]



This fall will mark the 60th anniversary of USDA's Agricultural Outlook Conference, which will take place from October 31 through November 3. As in the past, this year's conference will open with the outlook for the economy, agriculture and trade, and international monetary policy—a major component of today's agricultural equation.

Succeeding sessions will cover the major farm commodities, plus areas such as the family farm, crop insurance, animal and plant health, transportation, consumer spending, human nutrition, and technology in the home.

New this year: A 900 telephone line will provide live access to most of the speeches given at this year's conference—in case you can't attend in person. Just dial the appropriate number below for the site where the speech is given:

Jefferson Auditorium: (900) 410-JEFF

Forrestal Bldg. Auditorium: (900) 410-FORR  
Rm. 104-A: (900) 410-104A

This new 900-line service will cost 50 cents for the first minute and 35 cents for each additional minute. Thus, you can hear an hour-long session for less than \$22, plus tax. Ideal for businesses, classrooms, and conference rooms with speakerphone capability.

To receive a copy of the preliminary Outlook '84 program, which contains time and locations for each session, please write to: Outlook '84, 900-Line, USDA/WAOB, Rm. 5143-S, Wash., D.C. 20250.



## World Agriculture and Trade

### EXPORT UPDATE

The value of U.S. agricultural exports is forecast at \$34.5 billion in fiscal 1983, about 12 percent less than last year's \$39.1 billion and the lowest since fiscal 1979. Export unit values are projected to average 3 percent lower, while total volume is expected to fall 9 percent to 143.5 million metric tons, the lowest in 4 years. With U.S. farm imports placed at \$16.2 billion, the agricultural trade surplus is estimated at \$18.3 billion.

Continuing weak import demand, strong export competition, and a still-strong dollar have hurt U.S. agricultural sales abroad this year. Sales of several major commodities are down in volume, value, and market share. Factors contributing to sluggish global import demand include poor world economic conditions, liquidity and debt-financing problems in many countries, and low export earnings and good crops in some importing countries. Moreover, large crops in many exporting countries have encouraged greater competition through price discounts and increased credit offers.

Despite low U.S. export prices during most of this fiscal year, many buyers face high or rising import prices because the dollar remains strong. The

dollar has strengthened the most against the currencies of the major markets for U.S. wheat. However, new U.S. export programs like the blended credit program, offered since last fall, and the subsidized wheat flour sale to Egypt have kept the volume of U.S. exports from falling even further.

In fiscal 1984, the value of U.S. exports is projected to rise from this year's reduced level. U.S. economic growth is expected to spark a recovery

abroad that should improve import demand for agricultural products. The new U.S.-USSR long-term agreement on grains raises the minimum Soviet purchase to 9 million tons a year, up 3 million from the previous agreement. For the first time, soybeans and soybean meal are included in the long-term agreement, and the Soviets have already contracted for 200,000 tons of soybeans for delivery in fiscal 1984. Also, a recent textile agreement with China has removed a major irritant to

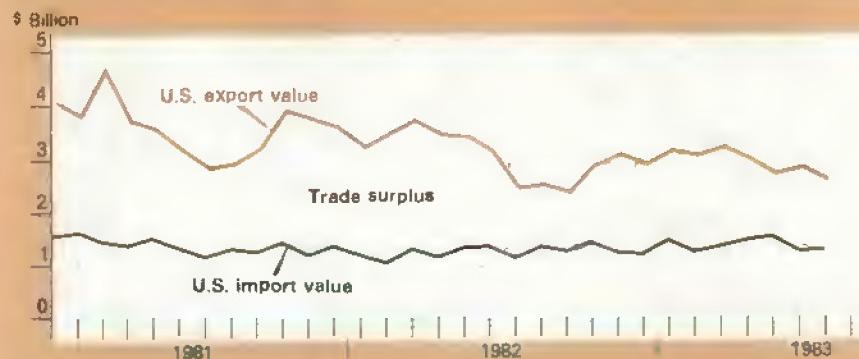
### U.S. Agricultural Exports

	October-June		Fiscal years	
	1981/82	1982/83	1982	1983F
\$ bil.				
Grains & feed . . . . .	14,232	11,392	17,615	15.2
Wheat & flour . . . . .	6,016	4,705	7,616	6.2
Rice . . . . .	.903	.618	1,149	.8
Feed grains . . . . .	5,836	4,891	6,940	6.5
Corn <sup>2</sup> . . . . .	4,988	4,318	5,962	5.7
Oilseeds & products . . . . .	8,049	7,003	9,545	8.8
Soybeans . . . . .	5,362	4,642	6,479	5.8
Soybean cake & meal . . . . .	1,260	1,197	1,453	1.4
Soybean oil . . . . .	.315	.313	.498	.5
Cotton & linters . . . . .	1,812	1,302	2,163	1.7
Fruits, nuts, & vegetables . . . . .	2,225	2,054	2,851	2.6
Tobacco . . . . .	1,259	1,211	1,486	1.4
Seeds . . . . .	.256	.260	.299	.3
Sugar & tropical products . . . . .	.671	.515	.839	.7
Livestock & products . . . . .	2,492	2,249	3,164	2.9
Dairy products . . . . .	.301	.264	.372	.4
Poultry & products . . . . .	.471	.345	.579	.5
Total <sup>1</sup> . . . . .	31,768	26,596	39,094	34.5
million metric tons <sup>3</sup>				
Grains & feed:				
Wheat . . . . .	34,450	27,885	44,607	37.0
Wheat flour . . . . .	.576	1,002	.886	1.5
Rice . . . . .	2,213	1,585	2,911	2.2
Feed grains . . . . .	47,467	41,910	58,179	53.3
Corn <sup>2</sup> . . . . .	40,995	37,338	49,609	47.0
Feeds, ingredients, & fodders . . . . .	4,670	5,235	6,000	6.5
Oilseeds & products:				
Soybeans . . . . .	20,871	20,013	25,477	24.5
Soybean cake & meal . . . . .	5,424	5,447	6,266	6.4
Soybean oil . . . . .	.601	.664	.942	.9
Sunflower seed . . . . .	1,418	1,086	1,542	1.3
Sunflower oil . . . . .	.093	.170	.103	.2
Other oilcakes & meal . . . . .	.253	.175	.289	.2
Cotton & linters . . . . .	1,287	.942	1,556	1.2
Fruits, nuts, & vegetables . . . . .	2,505	2,360	3,139	2.9
Tobacco . . . . .	.217	.201	.254	.2
Beef, pork, & variety meats . . . . .	.312	.291	.398	.4
Animal fats . . . . .	1,160	1,093	1,497	1.4
Poultry meat . . . . .	.259	.191	.315	.3
Other . . . . .	3,238	2,551	3,740	3.1
Total <sup>1</sup> . . . . .	127,014	112,801	158,101	143.5

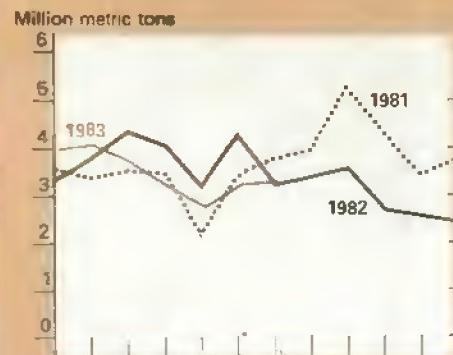
F = Forecast. <sup>1</sup>Totals may not add because of rounding. <sup>2</sup>Excludes products. <sup>3</sup>Actual export tonnages not converted to product equivalents. Excludes animal numbers and some commodities reported in cases, pieces, dozens, liquid measures, etc.

# U.S. Agricultural Trade Indicators

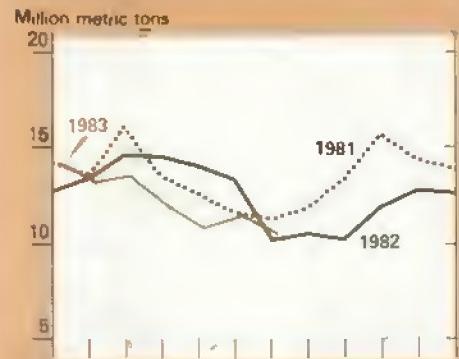
## U.S. agricultural trade balance



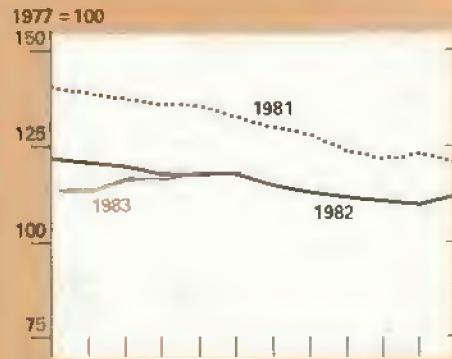
## U.S. wheat exports



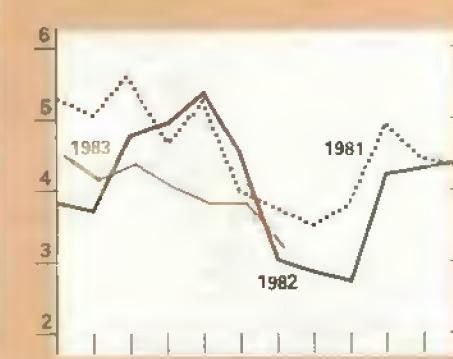
## Export volume



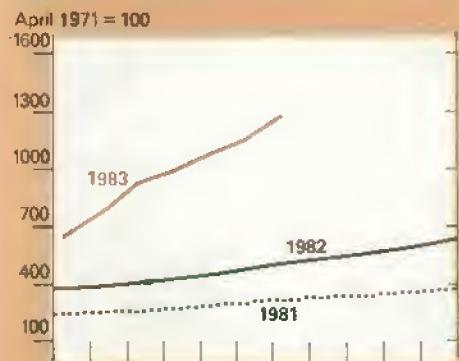
## Export prices



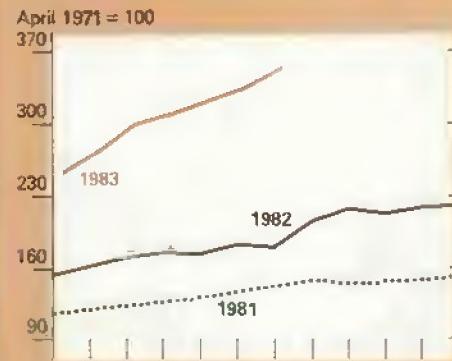
## U.S. corn exports



## Wheat exchange rate\*



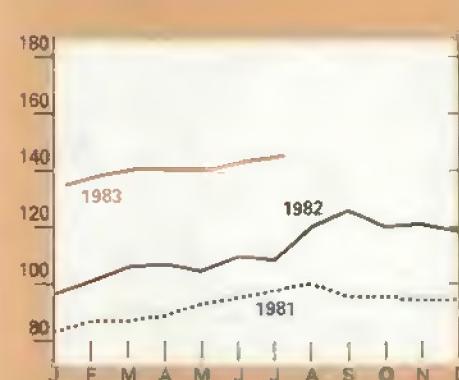
## Corn exchange rate\*



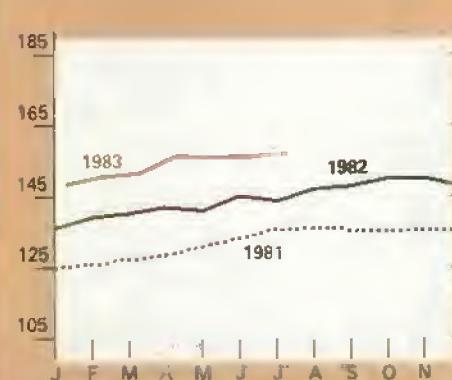
## U.S. soybean exports



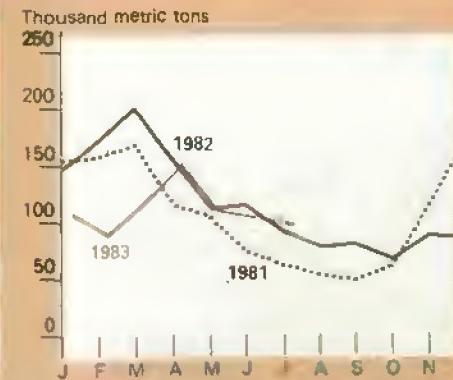
## Soybeans exchange rate\*



## Cotton exchange rate\*



## U.S. cotton exports



\*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

**U.S.-Sino trade relations.** U.S. corn sales will benefit some from drought-induced demand in South Africa, as well as reduced competition from other coarse grain suppliers during the first half of next year. Export prices will likely rise because of the U.S. acreage reduction programs and weather-reduced crops.

However, several negative factors will play an important role in shaping fiscal 1984 exports. Total foreign grain production is forecast up 3 percent in 1983/84, and U.S. sales will face tough competition, especially in wheat and rice. The volume of food grain exports will likely remain at this year's level or below. U.S. feed grain exports may not benefit substantially from the reduced competition, as foreign feed use probably will be fairly stagnant outside the USSR, with little or no pickup in demand for livestock products expected.

Higher commodity prices could combine with poor general economic factors to depress the export volume of several commodities. In addition, there would be concern if economic recovery lags abroad, and if U.S. interest rates and dollar exchange rates remain higher than expected.

#### Grain Exports Slide In First 9 Months

The volume of wheat exports slumped 16 percent during October-June, as demand fell and the U.S. share of world exports declined. Shipments to the USSR dropped by half to 3 million tons, and exports to China fell to one-third of those a year earlier. Price discounts from Argentina and credit from the European Community (EC), as well as record Canadian wheat shipments kept competition keen. On the other hand, smaller Australian supplies and larger Indian purchases buffered the drop in U.S. exports. The export volume for wheat won't increase much in fiscal 1984, because competitors' supplies will expand and foreign use will stagnate. Export prices are projected to slightly exceed fiscal 1983's.

Coarse grain exports fell 12 percent in volume in the first 9 months of fiscal 1983. With lower prices, the value fell even more. Foreign feed use rose only

1 percent in 1982/83, as livestock production increased only marginally. Shipments to the USSR fell because of reduced import demand and greater reliance on other suppliers. Meanwhile, financial problems and good crops caused Eastern European purchases to drop. The EC is de-emphasizing corn feeding, so U.S. shipments to that region were also down. On the up side, exports to Mexico rose sharply.

Reduced supplies in competing countries in the first half of the year, especially South Africa, could give U.S. feed grain exports a boost in fiscal 1984, despite higher prices and prospects for sluggish foreign demand. Prices have risen this spring because of high participation in U.S. acreage reduction programs, and this summer's harsh weather has boosted them even more.

U.S. soybean exports fared better than many other commodities, with shipments falling only 4 percent during October-June. However, average prices slid 9 percent—more than any other item except inedible tallow. Most of the drop was in EC and Soviet purchases. Nevertheless, sales to Japan rose. The export volume of soybean meal crept up marginally, but prices were down 5 percent. For fiscal 1984, exports of beans and meal may decline further because of conditions in the EC. In the Community, feeding policies are discouraging soybean imports; the price ratio is favoring grain, and poultry production is slowing.

U.S. cotton exports fell 29 percent in volume, but average prices actually rose marginally in the first three quarters. No substantial sales to China, a major market in earlier years, and weak world demand for textile products caused U.S. cotton exports to sag. Weather and Soviet ginning problems led to a 40,000-ton purchase of U.S. cotton, which was used to meet Soviet commitments to Eastern Europe. Prices have been rising because of the expected 35-percent drop in the U.S. crop due to weather and acreage reduction programs. Lower U.S. and higher foreign production could restrict exports, but the volume is still expected to rise slightly in fiscal 1984.

Sales of animals and animal products fell 13 percent; all major categories declined in volume and value. The largest drops were in live animals, poultry meat, inedible tallow, and dairy

products. Butter exports were a third of the year-earlier value, but shipments of nonfat dry milk tripled. Only beef and veal registered increases in volume and value.

Shipments of fruit and preparations declined only slightly during October-June, and fresh fruit exports actually rose. However, the value of nut exports fell 15 percent, as almond and walnut sales slid.

#### Major Customers Took Less in 1983

U.S. farm sales to Western Europe, the Soviet Union, and China during October-June were nearly a third less than a year earlier. These markets accounted for 42 percent of total U.S. agricultural exports in fiscal 1982. Therefore, they've been a major cause behind the forecast 12-percent drop in U.S. farm exports in 1983.

Wheat and corn purchases were the hardest hit. Record 1982 grain production in the EC cut European purchases. The USSR held down coarse grain imports and made a concerted effort to buy wheat from other suppliers. China bought less U.S. grain because of attractive price and credit offers from other suppliers, as well as the impasse over textile negotiations.

India, Korea, Taiwan, and Mexico were among the few bright spots. Sales of wheat to India and feed grains to Korea, Taiwan, and Mexico have improved this year. Some countries in the Middle East and North Africa also took more U.S. exports.

#### 1984 Outlook by Region

Several factors are expected to boost U.S. agricultural exports to Western Europe in fiscal 1984. Improvements in European economies, coupled with a smaller 1983 crop, may increase U.S. grain exports. Meanwhile, a stronger yen could improve agricultural trade with Japan. Moreover, Canadian economic recovery should closely follow the U.S. turnaround, improving the export outlook for high-value products. However, grain, oilseed, and meal shipments will be limited because of large supplies of barley and rapeseed from western Canada.

Because of the recent grain and textile agreements, imports by the Soviet Union and China are expected to rebound in fiscal 1984. If credit is available, Eastern Europe will likely hold its purchases at 1983 levels. Eastern Europe had to finance over half its imports of U.S. farm products through the Commodity Credit Corporation (CCC) in 1983.

The high-income developing countries—including South Korea, Hong Kong, Venezuela, Algeria, and Saudi Arabia—are still feeling the effects of the recession, but their imports are more likely to rebound than those by the poorer developing nations. U.S. exports to some countries, such as Bangladesh, Egypt, and Iraq, heavily depend on concessional and credit sales because of hard currency shortages.

Mexico was the second largest market for U.S. goods in fiscal 1981, importing \$2.7 billion worth of commodities without aid or CCC credit. By 1983, exports to Mexico had fallen to a projected \$1.7 billion, with a slightly lower forecast for 1984. Last year, 85 to 90 percent of the purchases were under CCC credit guarantees, and the same will be true for this year.

Although Mexico is an extreme case, problems with debt and hard currency shortages are symptomatic of much of the developing world, and these problems will continue to impair commercial sales in 1984.

**Imports Forecast Up in 1983**  
U.S. agricultural imports for fiscal 1983 are forecast at \$16.2 billion, up 6 percent or \$850 million from the previous year. The strong dollar continues to encourage imports, and economic recovery is stimulating demand. During the first three quarters, imports of certain items did exceptionally well—meat, live cattle, orange juice, tobacco, alcoholic beverages, coffee, and cocoa. The 1984 outlook calls for a further increase based on the same factors that boosted 1983 imports. [Steve Milmoe (202) 447-8054]



## Recent Publications

USDA's Economic Research Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to you as an *Agricultural Outlook* reader.

### New Reports—GPO

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### Dining Out: Separate Eating Places

Keep Customers Happy. Suppliers Busy. AIB-459. 100 pp. Price: \$4.50.

**The U.S. Poultry Industry: Changing Economics and Structure.** AER-502. 32 pp. Price: \$3.25.

**Farm Real Estate Market Developments.** CD-88. 40 pp. Price: \$3.50.

**Taiwan: An Export Market Profile.** FAER-185. 96 pp. Price: \$4.50.

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## Upcoming Crop Reporting Board Releases

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## Smaller Rise in Food Prices Forecast for 1983

	Changes in the CPI for food			
	1980	1981	1982	1983F
	Percent			
All food . . . . .	8.6	7.9	4.0	2 to 3
Food away from home. . . . .	9.9	9.0	5.3	4 to 5
Food at home. . . . .	8.0	7.3	3.4	1 to 2
Meats. . . . .	2.9	3.6	4.8	-1 to 1
Beef and veal . . . . .	5.7	0.9	1.4	-1 to 1
Pork . . . . .	-3.4	9.3	12.9	2 to 0
Poultry. . . . .	5.1	4.1	-1.8	-1 to 1
Eggs . . . . .	-1.8	8.3	-2.8	1 to 1
Dairy products . . . . .	9.8	7.1	1.4	1 to 2
Fish and seafood . . . . .	8.2	8.3	3.6	1 to 2
Fresh fruits and vegetables. . . . .	7.5	12.0	5.5	-4 to -2
Processed fruits and vegetables . . . . .	7.0	12.0	5.3	2 to 4
Sugar and sweets . . . . .	22.9	7.9	-2	2 to 4
Cereals and bakery products. . . . .	11.9	10.0	4.5	3 to 4
Fats and oils. . . . .	6.6	10.7	-2.8	-1 to 1
Nonalcoholic beverages . . . . .	10.6	4.2	2.8	2 to 4
Other prepared foods. . . . .	10.8	10.3	5.2	3 to 4

Source: Historical data from Department of Labor; forecasts by Economic Research Service, U.S. Department of Agriculture. F = Forecast.

## Food and Marketing

### PRICE UPDATE

#### Despite Drought, Little Increase Likely in 1983 Prices

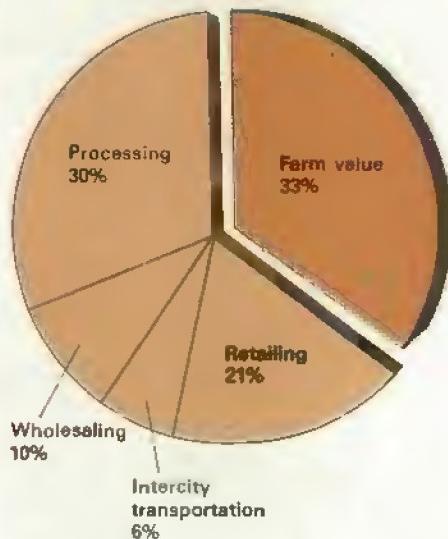
Despite recent hot, dry weather, food supplies will be abundant, and the Consumer Price Index for food will change little during the remainder of 1983. Food prices are still forecast to rise 2 to 3 percent this year, but will probably mark the smallest increase in 16 years.

Even with reduced production, crop supplies will be large because of big stocks from last year's record harvest. Meat supplies are expected to rise as more hogs and cattle are marketed. The increased marketings will be partly due to higher feeding costs resulting from lower 1983 crops. However, large pork supplies due to a sizable spring pig crop will be the primary source of the increased marketings. Pork prices are forecast to drop during the rest of the year, with sharp declines in the fourth quarter. Beef prices are also expected to fall as fed cattle marketings remain large and as more nonfed beef and dairy cattle are slaughtered.

In some areas, hot, dry weather reduced the quality and quantity of some locally produced fresh vegetables, particularly sweet corn, cabbage, summer potatoes, and snap beans. However, supplies of most fruits and vegetables should be abundant during the rest of 1983, and prices will likely stay near a year earlier.

The small increase in food prices is due to lower farm prices and a smaller rise in marketing costs, reflecting a reduction in the overall rate of inflation. The farm value, that portion of the consumer's food dollar going to farmers, will likely drop 4 to 5 percent from 1982, to 33 percent of the total. Large stocks, coupled with still relatively weak demand, have held down farm prices this year.

### Components of the Retail Food Dollar



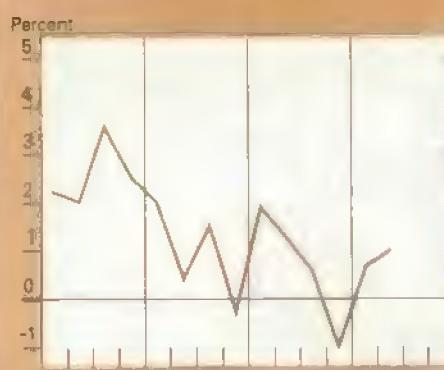
For domestic farm foods purchased by civilian consumers for consumption at home  
1983 forecast.

## Food and Marketing Indicators

CPI: Total food<sup>o</sup>



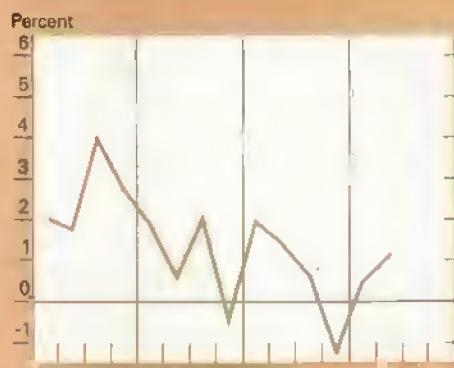
CPI: Food at home<sup>o</sup>



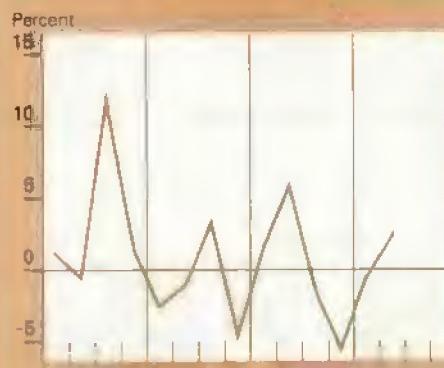
CP: Food away from home<sup>o</sup>



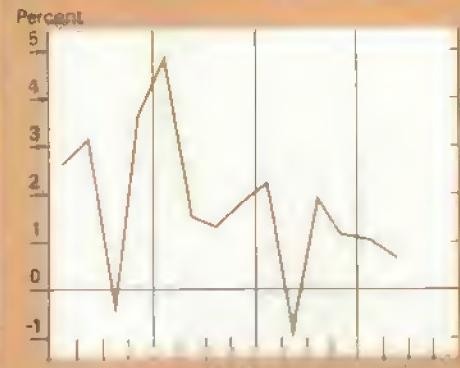
Farm food market basket, retail price



Farm value



Farm to retail spread



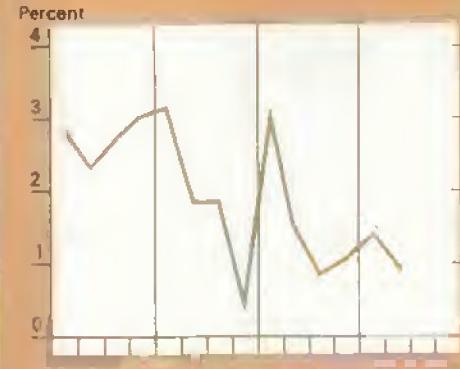
Imported food and fishery products



Marketing cost index



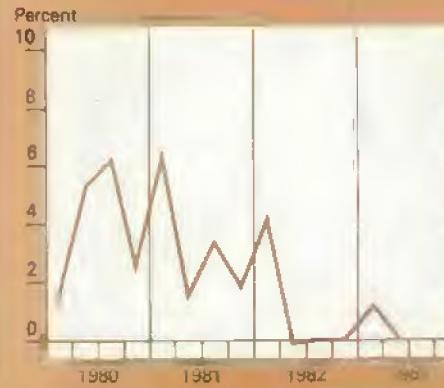
Labor cost



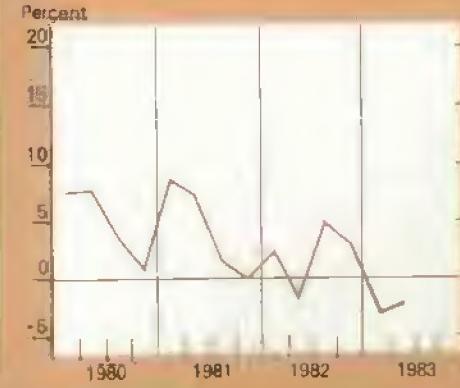
Packaging cost



Rail freight rates



Energy rates



<sup>o</sup> CPI unadjusted

All series expressed as percentage change from preceding quarter.

At the same time, marketing costs, those incurred during processing and marketing, have risen at the lowest rate in many years. In the first 6 months of this year, the marketing cost index (MCI) for food averaged 2.6 percent higher than a year earlier, compared with a 6.3-percent rise for first-half 1982. The MCI is expected to rise only moderately for the rest of this year.

### Price Increases To Be Higher in 1984

For 1984, the increase in food prices will likely be higher, but a bit below the general rate of inflation. Most of the increase will result from a further rise in marketing costs and from stronger farm prices for some commodities. In addition, demand created by economic recovery will push up food prices.

This year's drought will affect livestock prices in the second half of next year because fewer animals will be fed through winter and spring. Retail beef and pork prices are expected to climb as supplies drop in the third and fourth quarters of 1984. [Ralph Parlett (202) 447-8801]

**How Feed Costs Affect Meat Prices**  
Higher feed costs do not directly translate into higher retail meat prices. Rather, changes in feed costs prompt livestock and poultry producers to change production plans. When the outlook is for high feed grain prices, such as during the present drought, producers tend to reduce animal inventories, which increases slaughter and causes higher meat supplies. Therefore, the initial effect is lower retail prices because of the temporary increase in meat supplies. As supplies eventually dwindle, however, retail prices begin to rise. Furthermore, when farmers rebuild breeding herds by holding animals off the market, meat supplies fall even lower, putting further upward pressure on prices.



## Storage and Transportation

### Surplus Grain Storage Capacity in View

The storage situation at harvest is expected to be better this year than last. In many areas, on-farm storage will be more than adequate to hold this year's crop. In other areas, however, producers will have to rely on commercial storage, which is expected to be ample. As with every harvest, some localities may experience temporarily tight storage. This may be especially true in the Pacific Northwest, where producers have brought in a large wheat crop. However, other areas of country could have similar difficulties. To alleviate these local problems, USDA has authorized commercial elevators that obtain prior approval to use temporary emergency storage for grain owned by the Commodity Credit Corporation

(CCC) or under CCC loans. As was the case last year, use of temporary storage is permitted for up to 6 months. With these provisions and this year's reduced production, ample storage should be available.

### Barge Rates Still Declining

Barge shipments during January-July 1983 averaged 6 percent below a year earlier—the result of a 6-percent decline in grain exports during the same period. The decline in barge-shipped grain, combined with a continued surplus of vessels, pushed barge rates 10 to 20 percent below 1982 averages. The covered barge fleet now totals about 12,500 units, nearly 80 percent greater than in 1978, because barge operators invested in new equipment during the late 1970's. They anticipated substantial increases in both grain and coal exports, which did not materialize. In addition, the more recently built barges are about 15 percent larger than those built in the 1960's and early 1970's, further boosting capacity.

Some barge owners have taken their fleet out of service, but substantial excess capacity continues. With grain exports forecast to remain at current levels or below, barge rates are expected to stay low for the rest of 1983.

### Railcar Loadings Rise

Railcar loadings of grain increased to nearly 28,000 cars a week in July, a 30-percent jump from June. Car loadings are expected to stay high into harvest. Even so, railroads could accommodate 7 million bushels a week more than the July level before any significant equipment shortages develop. [T.Q. Hutchinson (202) 447-8707]

### Barge Rates for Grain Decline Sharply<sup>1</sup>

Year	Perkin, Ill.	Shawneetown, Ill.	Dubuque, Iowa
\$ per ton			
1979 . . . . .	10.99	8.03	13.76
1980 . . . . .	10.28	7.78	13.49
1981 . . . . .	10.04	7.76	12.73
1982 . . . . .	7.23	5.49	9.24
July 1983 . . . . .	5.77	4.95	7.74

<sup>1</sup> All routes end at New Orleans.



## Aberrations in the Cattle Cycle

### Aberrations in the Cattle Cycle

Until recently, changes in the cattle inventory have been one of the more reliable cyclical movements in the agricultural economy. However, the present cycle, which began in 1979, has not followed the general pattern of the previous eight recorded since the late 1800's.

The present cattle cycle started with 110.9 million head and rose to 115.6 million by 1982, a fairly typical beginning. But, the cycle began to falter as more cows were slaughtered because of financial difficulties—particularly on crop-livestock enterprises where cattle are supplementary to crops. As a result, the upswing in the cycle halted, and on January 1, 1983, the cattle inventory numbered 115.2 million head, essentially unchanged from a year earlier. Furthermore, the base for future production of beef cattle was reduced; the cow inventory declined 3 percent, while the number of heifers held for herd expansion dropped 4 percent.

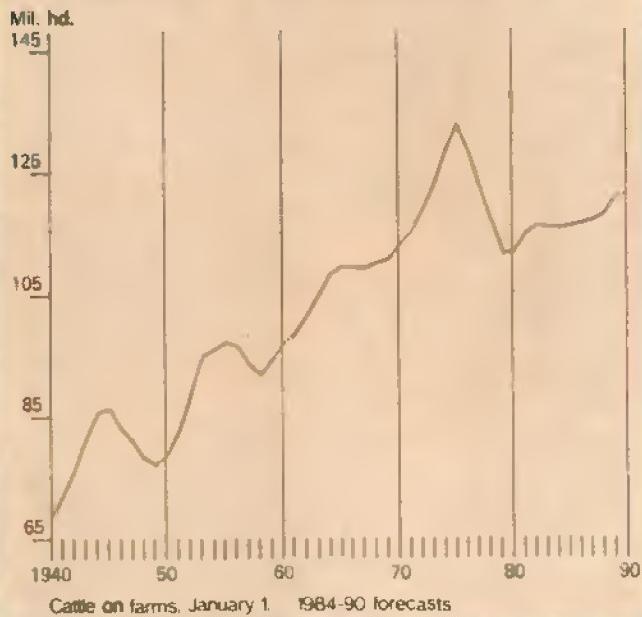
Until now, the average cycle length from trough to trough has been 9 to 16 years, with the span gradually shortening. Each cycle peaked in about mid-decade, with the last four peaking in a year ending in 5—1945, 1955, 1965, and 1975—and each at a higher inventory than the previous one.

Much discussion has centered on the sharp liquidation of the latest complete cycle, which began in 1967 at 108.8 million head, peaked in 1975 at 132.0 million, and finally concluded in 1979 at 110.9 million. This cycle lasted 12 years, ending with an unprecedented inventory liquidation—a drop of 21 million head, or 16 percent, from the peak. Total cow numbers declined 9.1 million head; beef cow numbers fell 8.6 million. At its peak, the inventory was 23 million head above the 1965 peak, and was about equal to the total inventory gain from 1945 to 1965.

### Past Changes Affect Current Cycle

These facts suggest that the real abnormality may well have occurred in the 1967-79 cycle, rather than in the present one. During the last cycle, the forage base expanded rapidly early in the expansion phase, as highly productive cropland was shifted into cropland pasture. At the same time, increased use of cheap nitrogen fertilizer improved the carrying capacity of pastures in the more humid areas. Therefore, the present aberration is due not only to economic uncertainties, but also to adjustments in resources. In addition, there have been structural changes

### Last Cattle Cycle May Have Been the Aberration

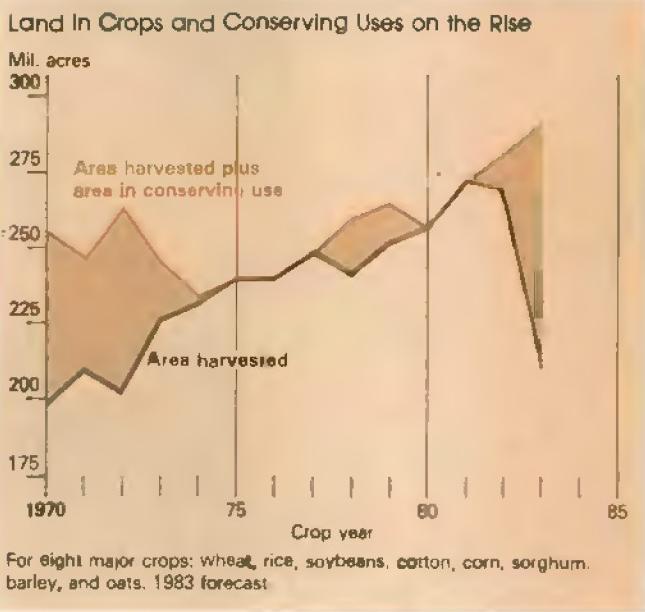


in the pork and broiler industries that have increased competing supplies of pork and poultry. So, even as the economy begins to improve, the other factors will remain important throughout this decade.

In the 1960's and early 1970's, economic conditions favored beef production over crops. The economy was expanding, incomes were rising, and inflation ranged from 3 to 6 percent. Grain was relatively plentiful, and reserve supplies of grain were burdensome. Cattle herds, particularly the breeding herd, were increasing rapidly.

However, several factors began to change this scenario. In 1970/71, blight sharply reduced corn production. Then, following a record harvest in 1971/72 and another large crop in 1972/73, grain exports, and consequently grain prices, began to rise. Furthermore, in 1972, purchases by the USSR expanded because of a poor Soviet grain crop and rising livestock production.

Therefore, beginning in 1974, cropland pasture began to be returned to crop production. This reversal was further reinforced by rising petroleum prices, which hiked the price of nitrogen fertilizer. The result was reduced fertilizer use and carrying capacity on land that remained as pasture.



#### Cropland Expands, Eating Away Pastures and Other Grazing Land

Year	Harvested cropland	Cropland pasture	Other grazing land, houselots, roads, etc.
MIL. acres			
1969 . . . .	273.0	88.2	491.9
1974 . . . .	303.0	82.7	484.5
1978 . . . .	320.0	76.2	473.5
Change 1974-78 . . .	17.7	-6.5	-11.0

#### More Pastureland Now in Crops

Since 1974, the total amount of cropland harvested or placed in conserving uses has increased about 55 million acres. Harvested cropland expanded by nearly 18 million acres from December 31, 1974, through 1978. Meanwhile, the amount of cropland used only for pasture declined 6.5 million acres. The area of rangeland and other types of pastureland also declined; however, the converted cropland pasture was some of the most productive pastureland.

Land has continued to shift back into crop production, although future trends are uncertain. The forage carrying capacity was probably further reduced by the second sharp rise in petroleum and fertilizer prices in 1979. Although fertilizer prices have declined somewhat over the last year, they remain relatively high.

All these factors may have contributed to a number of herd reductions in 1982. As previously mentioned, on many farms, particularly in the eastern half of the country, cattle are supplementary to cropping. Therefore, the expansion in cropland acreage and the need to improve cash flow and pay debts have forced many farmers to reduce or liquidate their herds. Unless land is again diverted from crop production, which seems unlikely, many of these operations will probably remain out of beef production. In addition, production capacity in the broiler and, particularly, pork sectors remains large, holding up total meat supplies and creating stiffer competition for beef.

#### Competition from Pork and Broilers Increased

Pork and broiler operations are not land intensive and, thus, are affected by the changing crop acreage primarily through feed prices. Hogs and poultry are simple-stomached animals; both breeding and feeder stock require a diet of feed grains and high-quality protein. This is in sharp contrast to cattle, which are ruminants. The breeding herd lives almost entirely on forages, and over half the weight of fed cattle is due to forage. Thus, the reduction in pastureland affects cattle production more than it affects the hog and broiler sectors.

Furthermore, hogs and broilers reach maturity faster than cattle do. Unlike the biological cycle of 27 to 48 months for cattle, the cycle for hogs is about 10 to 27 months, while the cycle for broilers is even shorter, 3 to 15 months. Thus, these industries respond more rapidly to changes in economic conditions and feed prices than does the beef industry.

During the early 1970's, two hog cycles were terminated early by sharply rising grain prices. As a result, commercial pork production declined from nearly 16 billion pounds in 1971 to 11.5 to 12.5 billion in 1975 and 1976. In turn, the drop in pork production caused sharp price increases, which were further supported by declining beef output. These higher pork prices during the mid-1970's and more stable grain prices later in the decade encouraged expansion in the pork sector.

Pork production in 1980, based on a new, larger structural capacity, was a record-large 16.4 billion pounds—a 42-percent increase from 1975. However, prices broke sharply in mid-1979 as the larger pork supplies came on the market. This began a cutback in pork production that continued until early 1982, when prices rose dramatically. However, supplies are again expanding, and prices are declining. Pork productive capacity remains large and relatively new, so it will continue to provide competition for the cattle industry during the 1980's.

The broiler industry has played an opportunistic role throughout the 1970's because of its shorter biological cycle. During the early and mid-1970's, broiler production expanded to fill a void left by pork. In the latter 1970's, broiler output rose along with pork production, filling a void left by cutbacks in the beef herd. This fairly sharp rate of expansion for broilers continued through 1981, as export demand increased. However, export demand fell sharply in 1982, and weak demand continues this year.

Domestic absorption of the additional supplies has held broiler prices below the 1981 average for the last 2 years. As a result, the rate of expansion has slowed dramatically. Present broiler capacity will allow some additional increase over the next several years, but larger supplies will be an

even greater problem if export demand remains weak. Competition with these supplies could limit beef prices somewhat.

#### Factors for the Future

For the remainder of the decade, a slower but more sustainable rate of economic growth is likely in the United States. Savings and Investment are being encouraged, but to some extent they will come at the expense of less rapid consumption increases in all sectors. World grain demand and prices will likely strengthen during the rest of the decade as the global economy improves.

Total red meat and poultry consumption, on a per capita, retail-weight basis, has declined from the record 208 pounds in 1980 to 203 in 1982. However, total production has already begun to rise, and per capita consumption should approach record levels in 1983. While much uncertainty over demand remains, the rapidly rising meat consumption that occurred from the 1960's through the 1980's is not likely to recur during the remainder of the decade.

Even with reduced acreage, excess grazing capacity for beef still exists because of the sharp cutbacks in herds since 1975. While herd expansion will likely be slow—not really starting until 1986 or 1987—the present forage area on farms and ranches could allow for expansion to 120 to 124 million head. Higher energy costs and only moderate price incentives would likely hold the inventory peak near the lower end of the range—well below the record 132 million of the last cycle. This would mark the first time this century that the peak in the cattle cycle didn't exceed the previous one. Excess forage capacity and relatively high grain prices may encourage a shift toward more grass feeding before cattle are placed on feed.

Continued strong grain prices and moderate economic growth would limit incentives for expansion in the pork and broiler industries. However, with the already sizable production capacity, particularly for pork, producers will likely strive to more fully use present facilities. For the broiler industry, little incentive would exist to encourage expansion for the remainder of the decade. The result may be continued downward pressure on prices of pork and broilers during each expansion attempt.

Individually, these changes seem modest. However, when viewed in total, it becomes apparent that near-record per capita meat consumption is likely through the remainder of the 1980's, despite population increases. [Ronald A. Gustafson (202) 447-8636]

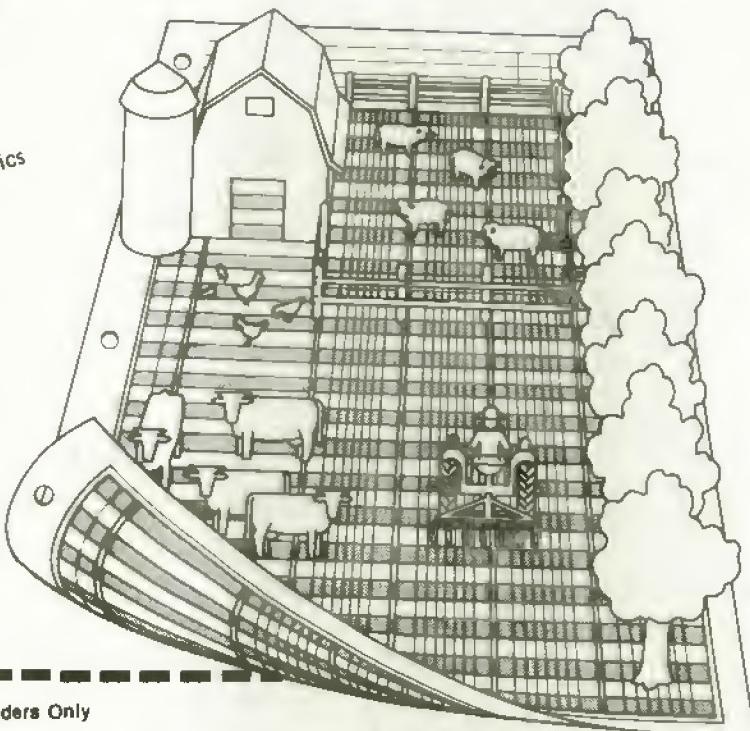
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## Statistical Indicators

## Summary Data

## **Key statistical indicators of the food and fiber sector**

	1982			1983					1984
	III	IV	Annual	I	II	III F	IV F	Annual F	I F
Prices received by farmers (1977=100) . . . . .	135	128	133	131	136	136	135	135	138
Livestock and products . . . . .	147	140	145	145	143	139	137	141	141
Crops . . . . .	122	115	121	118	127	133	133	121	135
Prices paid by farmers. (1977=100)									
prod. items . . . . .	150	148	149	151	154	154	153	153	156
Commodities and services, int., taxes, and wages . . . . .	157	156	156	158	160	160	161	160	164
Cash receipts <sup>1</sup> (\$ bil.)* . . . . .	142.3	146.3	144.6	142	141	136-140	123-127	135-139	—
Livestock (\$ bil.) . . . . .	70.2	68.9	70.2	72	71	67-71	67-71	68-72	—
Crops (\$ bil.) . . . . .	72.1	77.4	74.4	70	70	64-68	58-62	65-69	—
Market basket (1967=100)									
Retail cost . . . . .	269.1	265.6	266.4	267	271	271	270	267-271	273
Farm value . . . . .	254.7	239.0	248.8	238	241	237	234	234-240	241
Spread . . . . .	277.5	281.2	276.8	284	288	290	291	286-291	292
Farm value/retail cost (%) . . . . .	35	33	35	33	33	32	32	32-35	33
Retail prices (1967=100)									
Food . . . . .	287.8	286.6	285.7	289	292	293	294	291-294	298
At home . . . . .	281.4	278.5	279.2	281	283	284	284	281-284	287
Away-from home . . . . .	308.7	311.6	306.5	315	319	321	325	319-321	330
Agricultural exports (\$ bil.) <sup>2</sup> . . . . .	7.3	8.8	39.1	9.3	8.5	7.9	10.3	34.5	9.3
Agricultural imports (\$ bil.) <sup>2</sup> . . . . .	3.8	3.9	15.4	4.1	4.3	3.9	4.0	16.2	4.0
Livestock and products									
Total livestock and products (1974=100) . . . . .	112.5	112.9	111.7	110.3	115.5	115.7	115.1	114.1	112.4
Beef (mil. lb.) . . . . .	5,730	5,818	22,366	5,525	5,549	6,000	5,800	22,874	5,675
Pork (mil. lb.) . . . . .	3,240	3,638	14,121	3,483	3,726	3,575	4,200	14,984	3,800
Veal (mil. lb.) . . . . .	107	110	423	103	99	105	105	407	105
Lamb and mutton (mil. lb.) . . . . .	88	93	356	93	89	88	85	355	88
Red meats (mil. lb.) . . . . .	9,165	9,659	37,266	9,204	9,463	9,763	10,190	38,620	9,668
Broilers (mil. lb.) . . . . .	3,130	2,911	12,038	3,059	3,245	3,100	2,940	12,344	3,080
Turkeys (mil. lb.) . . . . .	761	759	2,458	458	580	800	760	2,598	450
Total meats and poultry (mil. lb.) . . . . .	13,056	13,329	51,762	12,714	13,288	13,713	13,890	53,612	13,198
Eggs (mil. dz.) . . . . .	1,437	1,479	5,798	1,432	1,400	1,395	1,450	5,677	1,400
Milk (bil. lb.) . . . . .	34.0	32.9	135.8	34.0	36.5	34.4	32.8	137.6	34.1
Choice steers, Omaha (\$/cwt.) . . . . .	64.19	58.87	64.22	61.52	67.04	61-63	61-65	62-64	62-66
Barrows and gilts, 7 markets (\$/cwt.) . . . . .	61.99	55.12	55.44	55.00	46.74	45-47	38-42	46-48	42-46
Broilers-wholesale, 9-city weighted avg., dressed (cts./lb.) . . . . .	44.4	41.5	44.0	43.4	46.5	51-54	42-46	—	45-49
Turkeys-wholesale, N.Y., 8-16 lb. hens, dressed (cts./lb.) . . . . .	65.4	63.7	60.8	54.9	57.3	57-60	61-65	57-60	55-59
Eggs, N.Y. Gr. A large, (cts./dz.) . . . . .	65.8	68.4	70.1	65.8	69.1	70-74	69-73	68-71	69-73
Milk, all at farm (\$/cwt.) . . . . .	13.37	13.87	13.60	13.73	13.33	13.30-	13.80-	13.50-	13.60-
						13.50	14.20	13.70	14.20
Crop prices at the farm <sup>4</sup>									
Wheat (\$/bu.) . . . . .	3.33	3.47	3.53	3.60	3.68	—	—	3.50-3.70	—
Corn (\$/bu.) . . . . .	2.32	2.12	2.65	2.54	3.00	—	—	2.95-3.20	—
Soybeans (\$/bu.) . . . . .	5.60	5.29	5.57	5.68	6.01	—	—	6.50-8.00	—
Hulled cotton (cts./lb.) . . . . .	56.1	59.0	—	57.4	60.8	—	—	—	—

<sup>1</sup> Quarterly cash receipts are seasonally adjusted at annual rates. <sup>2</sup> Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. <sup>3</sup> The 9-city price has been discontinued; starting with the second quarter 1983 the broiler price is the new 12-city average. <sup>4</sup> Quarterly prices are simple averages; annual prices are for marketing year beginning in year indicated. F = Forecast. Numbers may not add to totals due to rounding. <sup>5</sup> Seasonally adjusted at annual rates.

# Farm Income

## Farm income statistics

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983 F
\$ Bill.											
<b>Receipts</b>											
Cash receipts:											
Crops <sup>1</sup> . . . . .	41.1	51.1	45.8	49.0	48.6	53.7	63.2	72.7	73.1	74.4	65 to 69
Livestock . . . . .	45.8	41.3	43.1	46.3	47.6	59.2	68.6	67.8	69.2	70.2	68 to 72
Total . . . . .	86.9	92.4	88.9	95.4	96.2	112.9	131.8	140.5	142.3	144.6	135 to 139
Other cash income <sup>2</sup> . . . . .	3.4	1.4	1.8	1.8	3.0	4.3	2.9	2.9	3.9	5.6	11 to 15
Total cash income . . . . .	90.3	93.8	90.7	97.1	99.2	117.2	134.7	143.4	146.2	150.1	148 to 152
Nonmoney income <sup>3</sup> . . . . .	5.3	6.1	6.5	7.3	8.4	9.2	10.7	12.1	13.3	13.9	14 to 16
Realized gross income . . . . .	95.6	99.9	97.2	104.4	107.6	126.4	145.4	155.5	159.4	164.0	162 to 166
Value of inventory chg. . . . .	3.4	-1.6	3.4	-1.5	1.1	.8	4.9	-5.3	7.6	-1.9	-1 to -4
Total gross income . . . . .	99.0	98.3	100.6	102.9	108.7	127.2	150.4	150.1	167.1	162.2	161 to 165
<b>Expenses</b>											
Cash expenses <sup>4</sup> . . . . .	55.0	59.6	61.7	67.8	72.0	81.0	97.3	105.3	111.5	113.8	109 to 113
Total expenses . . . . .	64.6	71.0	75.0	82.7	88.9	99.5	118.1	128.6	137.0	140.1	134 to 138
<b>Income</b>											
Net cash income . . . . .	35.3	34.2	29.0	29.3	27.3	36.2	37.4	38.1	34.7	36.3	37 to 41
Realized net income <sup>4</sup> . . . . .	31.0	28.9	22.2	21.7	18.7	26.8	27.3	26.8	22.4	23.9	26 to 30
Total net farm income . . . . .	34.4	27.3	25.6	20.1	19.8	27.7	32.3	21.5	30.1	22.1	25 to 29
Deflated total net farm <sup>6</sup> . . . . .	32.5	23.7	20.4	15.2	14.1	18.4	19.7	12.0	15.4	10.7	10 to 14
Off-farm income <sup>7</sup> . . . . .	24.7	28.1	23.9	26.7	26.1	29.7	35.3	37.7	39.9	39.4	40 to 44

F = Forecast. <sup>1</sup> Includes net CCC loans. <sup>2</sup> Income from machine hire and custom work, farm recreational income, and direct government payments.

<sup>3</sup> Imputed gross rental value of farm dwellings and value of home consumption. <sup>4</sup> Excludes depreciation of farm capital, perquisites to hired labor, and expenses associated with farm dwellings, and includes net rent to all landlords. <sup>5</sup> Excludes value of inventory change. <sup>6</sup> Deflated by the GNP Implicit Price deflator, 1972=100. <sup>7</sup> Reflects changes in farm definition in 1975 and 1977.

## Cash receipts from farming

	1982							1983					
	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Farm marketings and CCC loans <sup>1</sup> . . . . .	9,768	10,528	10,822	12,145	14,997	16,174	14,780	14,203	10,392	9,770	10,096	9,307	10,495
Livestock and products . . . . .	5,810	5,656	5,810	5,951	6,183	5,681	5,678	5,783	5,944	6,181	6,028	5,506	5,817
Meat animals . . . . .	3,379	3,129	3,448	3,496	3,624	3,276	3,168	3,392	3,804	3,739	3,661	3,007	3,262
Dairy products . . . . .	1,550	1,533	1,513	1,469	1,519	1,465	1,554	1,563	1,449	1,624	1,590	1,660	1,576
Poultry and eggs . . . . .	801	804	776	821	816	849	875	726	626	735	685	757	901
Other. . . . .	80	190	73	165	224	91	81	102	70	83	92	82	78
Crops. . . . .	3,958	4,872	5,012	6,194	8,814	10,493	9,102	8,420	4,448	3,589	4,068	3,801	4,678
Food grains . . . . .	1,126	1,611	1,365	1,384	1,159	1,153	774	1,003	595	395	699	599	1,524
Feed crops . . . . .	886	898	896	1,180	1,572	2,430	2,894	3,256	1,522	1,255	987	1,009	1,234
Cotton flint and seed) . . . . .	21	-15	-20	47	634	1,115	1,161	745	307	-180	48	36	-44
Tobacco . . . . .	0	166	709	578	332	441	533	449	110	37	29	10	0
Oil-bearing crops . . . . .	396	517	381	744	2,639	2,680	1,539	1,552	668	704	545	424	424
Vegetables and melons. . . . .	639	607	685	912	959	606	523	468	438	516	690	754	616
Fruits and tree nuts . . . . .	476	613	572	736	836	848	743	417	309	234	324	373	509
Other. . . . .	414	475	424	613	683	1,220	935	530	499	628	746	596	415
Government payments . . . . .	30	21	34	56	67	974	444	681	511	148	706	288	237
Total cash receipts <sup>2</sup> . . . . .	9,798	10,549	10,856	12,201	15,064	17,148	15,224	14,884	10,903	9,918	10,802	9,595	10,732

<sup>1</sup> Receipts from loans represent value of loans minus value of redemptions during the month. <sup>2</sup> Cash receipts estimates reported in this issue for 1982 contain revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

Cash receipts<sup>1</sup> from farm marketings, by States, January-June

State	Livestock and Products		Crops <sup>1</sup>		Total <sup>2</sup>	
	1982	1983	1982	1983	1982	1983
\$ MIL.						
North Atlantic						
Maine . . . . .	115.6	114.8	94.0	72.9	209.6	187.7
New Hampshire . . . . .	37.4	38.8	13.1	12.4	50.5	51.2
Vermont . . . . .	183.7	190.6	13.5	14.3	197.2	204.9
Massachusetts . . . . .	66.9	66.8	78.8	67.0	145.7	133.8
Rhode Island . . . . .	7.1	6.9	8.2	8.0	15.2	15.0
Connecticut . . . . .	93.4	94.6	70.4	58.5	163.8	153.1
New York . . . . .	939.0	960.9	276.3	258.5	1,215.3	1,219.4
New Jersey . . . . .	63.9	63.5	132.3	133.7	196.2	197.3
Pennsylvania . . . . .	1,099.4	1,108.2	369.3	368.1	1,468.7	1,476.3
North Central						
Ohio . . . . .	762.0	782.0	838.1	988.2	1,600.1	1,770.2
Indiana . . . . .	850.1	848.9	984.6	1,166.4	1,834.7	2,015.3
Illinois . . . . .	1,166.3	1,194.6	2,825.3	2,536.0	3,991.6	3,730.6
Michigan . . . . .	583.6	594.5	633.4	689.2	1,216.9	1,283.6
Wisconsin . . . . .	2,074.5	1,992.0	456.6	469.8	2,531.2	2,461.8
Minnesota . . . . .	1,779.6	1,802.8	1,250.3	1,401.8	3,029.9	3,204.6
Iowa . . . . .	3,009.7	3,106.6	2,332.8	2,312.0	5,342.5	5,418.6
Missouri . . . . .	1,006.0	1,027.7	679.7	592.4	1,685.7	1,620.2
North Dakota . . . . .	361.6	385.6	732.5	1,009.9	1,094.1	1,395.5
South Dakota . . . . .	904.8	923.3	321.7	375.8	1,226.5	1,299.0
Nebraska . . . . .	2,135.8	2,080.4	1,342.8	1,228.5	3,478.6	3,308.8
Kansas . . . . .	2,063.6	2,077.6	847.9	748.7	2,911.5	2,826.3
Southern						
Delaware . . . . .	147.4	143.7	31.9	34.4	179.3	178.1
Maryland . . . . .	361.2	359.7	138.4	145.8	499.6	505.5
Virginia . . . . .	477.0	482.4	166.9	164.2	643.9	646.6
West Virginia . . . . .	84.4	86.1	17.5	20.0	101.9	106.1
North Carolina . . . . .	787.4	788.8	458.7	441.0	1,246.1	1,229.8
South Carolina . . . . .	200.4	200.3	232.2	239.6	432.6	439.9
Georgia . . . . .	854.4	857.0	407.7	395.6	1,262.1	1,252.5
Florida . . . . .	469.9	472.7	2,252.1	2,339.0	2,722.0	2,811.7
Kentucky . . . . .	450.3	463.9	618.1	642.8	1,068.4	1,106.7
Tennessee . . . . .	445.0	452.4	360.1	410.6	795.1	863.0
Alabama . . . . .	647.5	632.4	298.8	298.3	946.3	930.7
Mississippi . . . . .	459.9	449.7	421.9	382.4	881.8	832.1
Arkansas . . . . .	801.1	733.4	584.8	319.7	1,385.9	1,053.1
Louisiana . . . . .	246.6	243.9	384.2	312.4	630.9	556.3
Oklahoma . . . . .	1,085.7	1,052.9	320.1	388.9	1,406.8	1,441.9
Texas . . . . .	2,622.8	2,609.6	2,003.5	1,688.0	4,626.2	4,297.6
Western						
Montana . . . . .	311.1	336.6	356.0	416.8	667.1	753.4
Idaho . . . . .	405.7	407.8	477.9	406.9	883.5	814.7
Wyoming . . . . .	179.8	180.7	30.9	29.2	210.7	209.9
Colorado . . . . .	1,017.1	1,015.3	453.9	328.5	1,471.0	1,343.8
New Mexico . . . . .	305.2	325.8	101.8	102.0	407.0	427.8
Arizona . . . . .	398.3	387.4	555.4	446.4	953.7	833.7
Utah . . . . .	207.9	207.0	52.2	53.0	260.1	260.1
Nevada . . . . .	84.4	82.1	33.7	39.8	118.1	121.8
Washington . . . . .	498.0	503.5	801.9	887.9	1,299.9	1,391.4
Oregon . . . . .	283.8	285.1	370.6	408.0	654.4	693.1
California . . . . .	2,063.1	1,997.1	3,441.3	2,948.8	5,504.4	4,945.9
Alaska . . . . .	3.2	3.2	2.8	2.8	5.9	6.0
Hawaii . . . . .	37.1	36.6	199.2	199.2	236.3	235.8
United States . . . . .	35,239.5	35,258.4	29,866.2	29,004.0	65,105.7	64,262.4

<sup>1</sup> Estimates as of the first of current month. <sup>2</sup> Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

### Farm marketing indexes (physical volume)

	Annual			1982		1983					
	1980	1981	1982 p	June	Jan.	Feb.	Mar.	Apr.	May	June	
1977=100											
All commodities . . . . .	111	111	120	111	149	122	104	110	113	115	
Livestock and products . . .	101	103	104	105	110	115	106	106	102	111	
Crop . . . . .	120	119	136	119	181	129	102	114	130	120	

p = preliminary. Volume of marketing indexes reported in this issue for 1982 contains revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

### Farm production<sup>1</sup>

Item	1974	1975	1976	1977	1978	1979	1980 <sup>2</sup>	1981	1982	1983 <sup>3</sup>
1977=100										
Farm output . . . . .	88	95	97	100	104	111	103	118	117	104
All livestock products <sup>4</sup> . . . .	100	95	99	100	101	104	108	109	107	109
Meat animals . . . . .	104	97	100	100	100	103	107	106	101	105
Dairy products . . . . .	94	94	98	100	99	101	105	108	110	112
Poultry and eggs . . . . .	94	92	98	100	106	114	115	119	119	121
All crops <sup>4</sup> . . . . .	84	93	92	100	102	113	101	116	119	96
Feed grains . . . . .	74	91	96	100	108	116	97	121	124	81
Hay and forage . . . . .	96	100	94	100	106	108	98	106	110	106
Food grains . . . . .	91	108	107	100	93	108	121	144	140	117
Sugar crops . . . . .	89	114	112	100	101	94	97	107	97	98
Cotton . . . . .	82	58	74	100	76	102	79	109	83	54
Tobacco . . . . .	104	114	112	100	106	80	93	108	104	79
Oil crops . . . . .	71	86	74	100	105	129	99	114	126	104
Cropland used for crops . . . .	96	97	98	100	97	100	102	103	103	88
Crop production per acre . . . .	88	96	94	100	105	113	99	113	116	109

<sup>1</sup> For historical data and indexes, see *Changes in Farm Production and Efficiency* USDA Statistical Bulletin 657. <sup>2</sup> Preliminary indexes for 1983 based on August 1983 Crop Production report and other releases of the Crop Reporting Board, SRS. <sup>3</sup> Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. <sup>4</sup> Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross production to compute farm output.

# Farm Prices: Received and Paid

## Indexes of prices received and paid by farmers, U.S. average

	Annual			Aug	1983						
	1980	1981	1982		Mar	Apr	May	June	July	Aug p <sup>t</sup>	
1977=100											
<b>Prices Received</b>											
All farm products . . . . .	134	139	133	133	134	136	137	134	131	137	
All crops . . . . .	125	134	121	117	121	127	129	126	125	136	
Food grains . . . . .	165	186	146	137	150	155	155	144	138	147	
Feed grains and hay . . . . .	132	141	120	115	131	142	147	146	147	159	
Feed grains . . . . .	135	145	120	115	133	143	148	148	151	165	
Cotton . . . . .	114	111	91	87	99	99	102	101	107	107	
Tobacco . . . . .	125	140	153	156	156	156	157	157	157	151	
Oil-bearing crops . . . . .	102	110	88	86	89	93	92	90	95	122	
Fruit . . . . .	124	130	175	185	120	123	126	121	107	115	
Fresh market <sup>1</sup> . . . . .	128	133	187	199	119	124	127	121	103	113	
Commercial vegetables . . . . .	113	136	127	104	142	150	141	139	116	123	
Fresh market . . . . .	110	135	120	93	141	154	141	139	109	120	
Potatoes <sup>2</sup> . . . . .	129	177	125	135	94	113	140	135	160	167	
Livestock and products . . . . .	144	143	145	148	146	145	144	141	137	139	
Meat animals . . . . .	156	150	155	163	159	158	155	150	143	144	
Dairy products . . . . .	135	142	140	137	140	139	137	136	136	137	
Poultry and eggs . . . . .	112	116	110	105	106	104	111	113	115	122	
<b>Prices paid</b>											
Commodities and services . . . . .	138	150	156	157	159	159	160	160	160	161	
Interest, taxes, and wage rates . . . . .	138	148	149	150	152	153	154	154	152	154	
Production items . . . . .	138	134	122	120	125	131	134	132	132	139	
Feed . . . . .	123	134	122	120	125	131	134	132	132	139	
Feeder livestock . . . . .	177	164	164	171	175	172	166	162	154	151	
Seed . . . . .	118	138	141	140	141	141	141	141	141	141	
Fertilizer . . . . .	134	144	144	146	138	138	138	138	138	138	
Agricultural chemicals . . . . .	102	111	119	121	123	123	126	126	126	126	
Fuels & energy . . . . .	188	213	211	213	194	201	205	207	208	209	
Farm & motor supplies . . . . .	134	147	153	153	154	154	153	153	151	151	
Autos & trucks . . . . .	123	143	159	160	166	166	169	170	170	170	
Tractors & self-propelled machinery . . . . .	136	152	165	167	172	172	172	176	176	176	
Other machinery . . . . .	132	146	160	162	168	168	168	173	173	173	
Building & fencing . . . . .	128	134	135	136	138	139	138	139	139	139	
Farm services & cash rent . . . . .	125	137	143	143	148	148	148	148	148	148	
Interest payable per acre on farm real estate debt . . . . .	174	211	233	233	236	236	236	236	236	236	
Taxes payable per acre on farm real estate . . . . .	115	123	131	131	140	140	140	140	140	140	
Wage rates (seasonally adjusted) . . . . .	126	137	141	143	145	145	145	145	147	147	
Production items, interest, taxes, and wage rates . . . . .	139	151	154	155	157	158	159	159	158	159	
Prices received (1910-14=100) . . . . .	614	633	609	607	611	622	624	611	598	628	
Prices paid, etc. (Parity Index) (1910-14=100) . . . . .	948	1,035	1,071	1,080	1,091	1,096	1,100	1,102	1,100	1,105	
Parity ratio <sup>3</sup> . . . . .	65	61	57	56	56	57	57	55	54	57	

<sup>1</sup> Fresh market for noncitrus and fresh market and processing for citrus. <sup>2</sup> Includes sweetpotatoes and dry edible beans. <sup>3</sup> Ratio of index of prices received to index of prices paid, taxes, and wage rates (1910-14=100). p = preliminary.

## Prices received by farmers, U.S. average

	Annual*			1982		1983					
	1980	1981	1982	Aug	Mar	Apr	May	June	July	Aug p	
<b>Crops</b>											
All wheat (\$/bu.) . . . . .	3.88	3.88	3.52	3.34	3.66	3.77	3.77	3.51	3.34	3.57	
Rice, rough (\$/cwt.) . . . . .	11.07	11.94	8.33	7.31	7.99	8.23	8.23	7.88	7.95	8.07	
Corn (\$/bu.) . . . . .	2.70	2.92	2.37	2.30	2.71	2.94	3.03	3.04	3.13	3.45	
Sorghum (\$/cwt.) . . . . .	4.67	4.72	4.00	3.95	4.67	4.92	5.05	5.06	5.03	5.30	
All hay, baled (\$/ton) . . . . .	67.01	87.67	69.18	65.00	70.50	75.30	83.30	75.90	72.00	72.20	
Soybeans (\$/bu.) . . . . .	6.75	6.92	5.78	5.59	5.82	6.08	6.05	5.91	6.28	8.09	
Cotton, Upland (cts./lb.) . . . . .	69.0	67.1	55.3	52.8	59.9	59.7	61.7	61.1	64.6	64.5	
Potatoes (\$/cwt.) . . . . .	4.82	6.95	5.10	5.72	3.88	4.82	6.10	5.72	6.91	7.17	
Dry edible beans (\$/cwt.) . . . . .	24.83	28.59	16.82	16.60	12.30	13.40	15.50	15.80	19.30	19.80	
Apples for fresh use (cts./lb.) . . . . .	16.2	13.2	15.4	13.3	12.8	11.3	11.4	10.5	11.2	14.4	
Pears for fresh use (\$/ton) . . . . .	313	264	235	243	333	326	336	324	—	258	
Oranges, all uses (\$/box) <sup>1</sup> . . . . .	3.28	3.78	7.44	8.54	3.47	4.32	4.55	4.09	2.02	1.89	
Grapefruit, all uses (\$/box) <sup>1</sup> . . . . .	2.74	3.68	2.20	2.22	1.49	1.86	1.66	1.33	1.75	3.36	
<b>Livestock</b>											
Beef cattle (\$/cwt.) . . . . .	62.48	58.51	56.97	58.10	59.70	61.00	59.80	58.30	54.80	53.80	
Calves (\$/cwt.) . . . . .	77.48	64.46	60.18	61.80	68.40	66.60	66.10	64.30	60.30	58.30	
Hogs (\$/cwt.) . . . . .	38.00	43.90	52.30	61.20	50.40	46.90	45.90	43.90	43.40	47.00	
Lambs (\$/cwt.) . . . . .	63.53	55.38	54.55	52.90	63.20	61.50	59.60	54.20	49.80	47.10	
All milk, sold to plants (\$/cwt.) . . . . .	13.05	13.76	13.59	13.30	13.60	13.50	13.30	13.20	13.20	13.30	
Milk, manuf. grade (\$/cwt.) . . . . .	12.05	12.73	12.66	12.30	12.70	12.70	12.50	12.40	12.30	12.30	
Broilers (cts./lb.) . . . . .	27.7	28.5	26.9	26.6	25.4	24.7	26.1	28.3	30.7	31.8	
Eggs (cts./doz.) <sup>2</sup> . . . . .	56.3	63.1	59.5	51.1	58.2	57.1	61.2	58.8	57.5	63.3	
Turkeys (cts./lb.) . . . . .	40.0	38.5	37.5	40.6	33.0	32.1	34.5	36.2	34.0	34.9	
Wool (cts./lb.) <sup>3</sup> . . . . .	88.0	91.1	68.0	64.2	58.4	67.4	65.5	70.0	71.4	62.3	

<sup>1</sup> Equivalent on-tree returns. <sup>2</sup> Average of all eggs sold by producers including hatching eggs and eggs sold at retail. <sup>3</sup> Average local market price, excluding incentive payments. \*Calendar year averages. p = preliminary.

## Producer and Consumer Prices

### Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual			1982			1983					
	1982	July	Dec	Jan	Feb	Mar	Apr	May	June	July		
1967=100												
Consumer price index, all items . . . . .	289.1	292.2	292.4	293.1	293.2	293.4	295.5	297.1	298.1	299.3		
Consumer price index, less food . . . . .	288.4	291.5	292.1	292.6	292.6	292.4	294.7	296.5	297.8	299.3		
All food . . . . .	285.7	288.5	286.5	288.1	289.0	290.5	291.9	292.4	292.0	292.0		
Food away from home . . . . .	306.5	307.6	312.6	314.5	315.2	316.5	318.0	318.6	319.3	319.8		
Food at home . . . . .	279.2	282.8	277.8	279.3	280.3	281.9	283.4	283.8	283.0	282.8		
Meats <sup>1</sup> . . . . .	270.3	278.8	271.1	272.2	273.2	272.8	273.3	272.7	270.2	267.8		
Beef and veal . . . . .	276.5	286.7	270.2	271.3	272.2	272.8	279.4	281.3	278.6	275.8		
Pork . . . . .	258.1	265.4	270.1	272.0	273.6	271.1	262.1	257.3	254.1	251.2		
Poultry . . . . .	195.1	199.6	190.4	191.3	194.0	193.7	191.0	192.0	193.6	198.1		
Fish . . . . .	370.6	370.2	369.6	376.7	379.2	380.1	379.4	372.6	371.2	368.9		
Eggs . . . . .	178.7	173.6	172.5	172.9	169.3	175.0	174.9	181.8	173.8	177.9		
Dairy products <sup>2</sup> . . . . .	247.0	247.5	247.8	249.5	249.7	249.6	250.1	250.3	249.8	249.8		
Fats and oils <sup>3</sup> . . . . .	259.6	259.3	258.6	259.3	258.0	258.4	258.6	258.3	258.3	259.0		
Fruits and vegetables . . . . .	291.4	299.7	277.6	276.2	278.1	286.9	294.9	298.2	298.2	298.7		
Fresh . . . . .	298.5	313.8	272.3	269.2	272.0	286.6	304.3	311.0	310.9	310.6		
Processed . . . . .	286.0	286.8	286.0	286.6	287.4	287.6	287.1	286.7	286.9	288.2		
Cereals and bakery products . . . . .	283.4	284.3	286.3	287.8	288.7	289.8	291.1	291.7	292.4	293.7		
Sugar and sweets . . . . .	367.5	369.5	369.2	371.5	370.7	372.8	373.2	373.1	374.5	376.1		
Beverages, nonalcoholic . . . . .	424.2	422.8	424.3	431.1	432.2	432.7	431.8	431.1	431.0	428.7		
Apparel commodities, less footwear . . . . .	177.0	174.0	178.4	175.0	176.0	178.9	179.7	180.2	179.7	179.3		
Footwear . . . . .	205.5	206.4	205.9	204.8	205.6	206.6	207.5	208.0	206.8	203.8		
Tobacco Products . . . . .	243.5	239.2	272.3	280.3	282.8	283.3	284.9	285.3	285.9	294.6		
Beverages, alcoholic . . . . .	208.5	209.2	210.9	211.6	213.3	215.1	216.1	216.6	217.0	217.2		

<sup>1</sup> Beef, veal, lamb, pork, and processed meat. <sup>2</sup> Includes butter. <sup>3</sup> Excludes butter.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1982		1983				
	1980	1981	1982 p	July	Feb	Mar	Apr	May	June	July
1967=100										
<b>Finished goods<sup>1</sup></b>	247.0	269.8	280.6	281.7	284.1	283.4	283.0	284.3	285.0	285.7
Consumer foods	239.5	253.6	259.3	260.6	261.0	261.1	262.9	262.6	261.0	260.8
Fresh fruit	237.6	228.9	236.4	216.6	227.1	214.9	249.7	231.9	238.7	265.0
Fresh and dried vegetables	219.0	278.0	246.5	237.3	206.6	229.8	257.9	261.2	263.6	230.7
Eggs	171.0	187.1	178.7	171.7	170.0	170.0	170.0	185.1	169.3	177.2
Bakery products	247.8	268.2	275.5	275.2	282.5	282.4	284.3	284.6	284.3	286.2
Meats	235.9	239.0	250.6	260.8	244.7	248.0	248.3	246.0	242.1	238.5
Beef and veal	260.2	246.8	245.1	253.3	235.5	244.5	256.0	253.5	248.6	240.5
Pork	196.7	218.1	251.0	264.4	248.0	244.5	229.6	227.7	224.2	222.0
Poultry	193.3	193.3	178.6	188.5	178.8	172.6	168.3	173.0	178.8	186.1
Fish	370.9	377.8	422.6	412.8	477.9	488.5	477.2	474.5	416.8	434.0
Dairy products	230.6	245.6	248.9	248.6	251.0	250.7	251.0	250.9	250.4	250.3
Processed fruits and vegetables	228.7	261.2	274.5	274.4	273.9	272.9	273.8	275.0	276.8	277.0
Shortening and cooking oils	233.2	238.0	234.8	238.7	227.4	225.2	230.7	236.4	236.6	239.7
Consumer finished goods less foods	250.8	276.5	287.8	288.8	290.3	288.9	287.2	289.3	291.4	292.7
Beverages, alcoholic	175.8	189.5	197.8	198.3	202.5	203.0	204.4	205.2	205.9	206.3
Soft drinks	261.0	305.1	319.0	319.6	325.6	325.0	327.1	327.3	324.5	323.9
Apparel	172.4	186.0	193.8	194.8	193.3	194.6	194.7	195.1	196.6	197.1
Footwear	233.1	240.9	245.0	247.3	246.9	248.0	248.4	248.7	249.0	249.9
Tobacco Products	245.7	268.3	323.2	311.5	338.1	335.1	354.7	353.9	352.2	373.5
<b>Intermediate materials<sup>2</sup></b>	280.3	306.0	310.4	311.1	309.9	309.5	309.1	310.1	311.7	313.0
Materials for food manufacturing	264.4	260.4	255.1	259.7	254.1	252.8	254.8	256.8	257.1	257.3
Flour	187.6	191.9	183.4	183.0	183.9	184.6	185.6	188.2	189.7	189.3
Refined sugar <sup>3</sup>	213.1	171.8	161.3	164.5	169.4	168.5	170.7	171.2	172.8	173.8
Crude vegetable oils	202.8	185.4	160.1	168.0	147.1	149.3	163.3	170.8	171.6	177.5
<b>Crude materials<sup>4</sup></b>	304.6	329.0	319.5	323.4	320.2	322.1	325.7	325.7	323.2	320.6
Foodstuffs and feedstuffs	259.2	257.4	247.8	255.5	249.3	249.1	256.8	256.5	252.1	248.6
Fruits and vegetables <sup>5</sup>	238.6	267.3	253.4	239.1	227.2	234.3	266.0	259.5	263.9	258.0
Grains	239.0	248.4	210.9	212.8	222.4	227.4	243.8	242.2	241.5	236.7
Livestock	252.7	248.0	257.8	270.3	251.1	251.4	260.6	258.0	251.7	240.7
Poultry, live	202.1	201.2	191.9	212.5	200.1	177.8	170.8	186.9	199.3	214.5
Fibers, plant and animal	271.1	242.0	202.9	220.8	206.4	217.0	213.6	223.8	229.7	230.4
Milk	271.2	287.4	282.5	279.0	284.5	282.9	280.8	279.8	278.6	278.7
Oilseeds	249.2	277.6	214.5	224.0	213.0	210.2	224.4	223.6	213.8	226.4
Coffee, green	430.3	330.1	311.5	319.6	299.7	299.7	298.8	298.8	298.8	298.8
Tobacco, leaf	222.2	246.9	269.9	253.1	276.6	274.2	274.2	275.9	275.0	275.0
Sugar, raw cane	413.0	272.7	278.5	314.5	313.7	312.5	320.4	323.2	323.0	314.9
<b>All commodities</b>	268.8	293.4	299.3	300.4	300.9	300.6	300.8	301.7	302.5	303.2
<b>Industrial commodities</b>	274.8	304.1	312.3	312.8	314.4	313.5	312.6	313.9	315.4	316.6
<b>All foods<sup>6</sup></b>	244.5	251.8	254.5	256.6	254.7	255.8	258.1	258.2	256.5	256.4
Farm products and processed foods and feeds	244.7	251.5	248.9	252.4	250.4	250.6	254.7	254.7	252.4	251.6
Farm products	249.4	254.9	242.4	246.6	240.7	241.5	250.5	250.3	247.3	244.3
Processed foods and feeds	241.2	248.7	251.5	254.6	254.7	254.5	256.0	256.1	254.2	254.6
Cereal and bakery products	236.0	255.5	253.8	253.0	256.8	256.9	259.1	259.8	260.0	261.9
Sugar and confectionery	322.5	275.9	269.7	275.7	286.4	283.7	286.7	289.5	296.0	296.4
Beverages	233.0	248.0	256.9	256.9	261.3	262.0	263.0	263.3	262.8	263.0

<sup>1</sup> Commodities ready for sale to ultimate consumer. <sup>2</sup> Commodities requiring further processing to become finished goods. <sup>3</sup> All types and sizes of refined sugar. <sup>4</sup> Products entering market for the first time which have not been manufactured at that point. <sup>5</sup> Fresh and dried. <sup>6</sup> Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.

Note. Annual historical data on consumer and producer food price indexes may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 694, ERS, USDA.

# Farm-Retail Price Spreads

## Market basket of farm foods

	Annual			1982		1983				
	1980	1981	1982 p	July	Feb	Mar	Apr	May	June	July
<b>Market basket<sup>1</sup>:</b>										
Retail cost (1967=100) . . . . .	238.8	257.1	266.4	270.7	266.6	268.4	269.9	270.6	269.6	269.6
Farm value (1967=100) . . . . .	239.8	246.3	248.8	259.2	239.3	241.6	243.9	244.6	242.4	238.5
Farm-retail spread (1967=100) . . .	238.3	263.4	276.8	277.4	282.8	284.3	285.2	285.9	285.6	287.1
Farm value/retail cost (%) . . . . .	37.2	35.4	34.6	35.4	33.2	33.3	33.4	33.5	33.3	32.7
<b>Meat products:</b>										
Retail cost (1967=100) . . . . .	248.8	257.8	270.3	278.8	273.2	272.8	273.3	272.7	270.2	267.8
Farm value (1967=100) . . . . .	234.0	235.5	251.3	268.8	248.6	250.1	252.4	249.2	245.2	235.2
Farm-retail spread (1967=100) . . . .	266.1	284.0	292.5	290.5	302.0	299.3	297.8	300.3	299.5	306.0
Farm value/retail cost (%) . . . . .	50.7	49.3	50.2	52.0	49.1	49.5	49.8	49.3	48.9	47.4
<b>Dairy products:</b>										
Retail cost (1967=100) . . . . .	227.4	243.6	247.0	247.5	249.7	249.6	250.1	250.3	249.8	249.8
Farm value (1967=100) . . . . .	251.1	265.9	261.8	259.2	264.8	263.4	262.2	258.9	258.1	259.3
Farm-retail spread (1967=100) . . . .	206.6	224.1	234.0	237.3	236.6	237.5	239.4	241.4	242.5	241.5
Farm value/retail cost (%) . . . . .	51.6	51.0	49.6	49.0	49.5	49.3	49.0	48.4	48.3	48.5
<b>Poultry:</b>										
Retail cost (1967=100) . . . . .	190.8	198.6	194.9	199.6	194.0	193.7	191.0	192.0	193.6	198.1
Farm value (1967=100) . . . . .	211.9	210.2	200.5	212.9	200.3	187.6	182.4	193.7	208.2	218.4
Farm-retail spread (1967=100) . . . .	170.3	187.4	189.5	186.8	187.9	199.6	199.4	190.4	179.4	178.3
Farm value/retail cost (%) . . . . .	54.6	52.0	50.6	52.4	50.8	47.6	47.0	49.6	52.9	54.2
<b>Eggs:</b>										
Retail cost (1967=100) . . . . .	169.7	183.8	178.7	173.6	169.3	175.0	174.9	181.8	173.8	177.9
Farm value (1967=100) . . . . .	184.3	206.5	189.5	178.4	174.3	186.9	182.0	198.3	191.0	184.0
Farm-retail spread (1967=100) . . . .	148.6	150.9	163.2	169.5	162.0	157.8	164.7	157.9	148.9	169.0
Farm value/retail cost (%) . . . . .	64.2	66.4	62.7	60.1	60.9	63.1	61.5	64.5	65.0	61.1
<b>Cereal and bakery products:</b>										
Retail cost (1967=100) . . . . .	246.4	271.1	283.4	284.3	288.7	289.8	291.1	291.7	292.4	293.7
Farm value (1967=100) . . . . .	221.4	217.5	192.5	195.0	201.2	203.0	202.7	209.4	201.9	196.9
Farm-retail spread (1967=100) . . . .	251.6	282.2	301.2	302.8	306.8	307.8	309.4	308.9	311.1	313.7
Farm value/retail cost (%) . . . . .	15.4	13.8	12.0	11.8	12.0	12.0	11.9	12.3	11.8	11.5
<b>Fresh fruits:</b>										
Retail cost (1967=100) . . . . .	271.8	286.1	323.2	351.4	277.1	291.2	295.7	303.2	313.9	331.5
Farm value (1967=100) . . . . .	245.0	251.0	327.1	404.9	173.1	176.7	183.0	176.0	179.3	210.0
Farm-retail spread (1967=100) . . . .	283.8	301.8	321.4	327.4	323.8	343.1	346.3	360.3	374.3	386.1
Farm value/retail cost (%) . . . . .	27.9	27.2	31.4	35.7	19.4	18.7	19.2	18.0	17.7	19.6
<b>Fresh vegetables:</b>										
Retail costs (1967=100) . . . . .	242.2	287.4	288.9	296.4	273.4	294.0	316.0	320.8	311.3	295.8
Farm value (1967=100) . . . . .	216.1	282.4	275.3	280.0	230.5	278.0	310.1	338.2	313.6	287.3
Farm-retail spread (1967=100) . . . .	254.5	289.7	295.2	304.1	293.5	301.5	318.7	312.6	310.2	299.7
Farm value/retail cost (%) . . . . .	28.5	31.4	30.5	30.2	27.0	30.2	31.4	33.7	32.2	31.1
<b>Processed fruits and vegetables:</b>										
Retail cost (1967=100) . . . . .	242.5	271.5	286.2	286.8	287.4	287.6	287.1	286.7	286.9	288.2
Farm value (1967=100) . . . . .	243.5	290.6	272.7	270.5	225.3	224.1	223.7	225.5	225.9	227.5
Farm-retail spread (1967=100) . . . .	242.2	267.3	288.9	290.4	301.0	301.7	301.3	300.4	300.4	301.6
Farm value/retail costs (%) . . . . .	18.2	19.4	17.3	17.1	14.2	14.1	14.1	14.2	14.3	14.3
<b>Fats and oils:</b>										
Retail cost (1967=100) . . . . .	241.2	267.1	259.9	259.3	258.0	258.4	285.6	258.3	258.3	259.0
Farm value (1967=100) . . . . .	250.3	262.4	207.8	225.8	198.5	208.6	224.6	218.1	222.9	232.0
Farm-retail spread (1967=100) . . . .	237.7	268.9	279.9	272.7	280.9	277.5	271.7	273.8	272.0	269.4
Farm value/retail cost (%) . . . . .	28.8	27.3	22.2	24.2	21.4	22.4	24.1	23.4	24.0	24.9

<sup>1</sup> Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note: Annual historical data on farm-retail price spreads may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 694, ERS, USDA.

## Farm-retail price spreads

	Annual			1982		1983					
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July	
<b>Beef, Choice:</b>											
Retail price <sup>1</sup> (cts./lb.) . . . . .	237.6	238.7	242.5	251.8	238.7	238.1	244.5	246.7	244.1	242.0	
Net carcass value <sup>2</sup> (cts.) . . . . .	155.4	149.3	150.7	152.6	144.0	150.3	160.3	155.9	152.0	145.5	
Net farm value <sup>3</sup> (cts.) . . . . .	145.0	138.5	140.5	143.4	135.5	142.1	151.0	147.8	143.3	135.7	
Farm-retail spread (cts.) . . . . .	92.6	100.2	102.0	108.4	103.2	96.0	93.5	98.9	100.8	106.3	
Carcass-retail spread <sup>4</sup> (cts.) . . . . .	82.2	89.4	91.8	99.2	94.7	87.8	84.2	90.8	92.1	96.5	
Farm-carcass spread <sup>5</sup> (cts.) . . . . .	10.4	10.8	10.2	9.2	8.5	8.2	9.3	8.1	8.7	9.8	
Farm value/retail price (%) . . . . .	61	58	58	57	57	60	62	60	59	56	
<b>Pork:</b>											
Retail price <sup>1</sup> (cts./lb.) . . . . .	139.4	152.4	175.4	181.1	183.3	180.7	173.9	171.1	168.2	166.6	
Wholesale value <sup>2</sup> (cts.) . . . . .	98.0	106.7	121.8	129.3	122.3	114.2	108.8	106.0	105.8	104.2	
Net farm value <sup>3</sup> (cts.) . . . . .	63.2	70.3	88.0	95.1	92.4	81.3	75.7	75.2	73.1	73.2	
Farm-retail spread (cts.) . . . . .	67.2	82.1	87.4	86.0	90.9	99.4	98.2	95.9	95.1	93.4	
Wholesale-retail spread <sup>4</sup> (cts.) . . . . .	41.4	45.7	53.6	51.8	61.0	66.5	65.1	65.1	62.4	62.4	
Farm-wholesale spread <sup>5</sup> (cts.) . . . . .	34.8	36.4	33.8	34.2	29.9	32.9	33.1	30.8	32.7	31.0	
Farm value/retail price (%) . . . . .	45	46	50	53	60	45	44	44	43	44	

<sup>1</sup> Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS. <sup>2</sup> Value of carcass quantity equivalent to 1 lb. of retail cuts/beef adjusted for value of fat and bone byproducts. <sup>3</sup> Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. <sup>4</sup> Represents charges for retelling and other marketing services such as fabricating, wholesaling, and in-city transportation. <sup>5</sup> Represents charges made for livestock marketing, processing and transportation to city where consumed.

## Transportation Data

### Rail rates, grain, and fruit and vegetable shipments

	Annual			1982		1983					
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July	
<b>Rail freight rate index<sup>1</sup></b>											
All products (1969=100) . . . . .	284.5	327.6	351.4	352.0	355.3	355.3	355.3p	355.4p	355.4p	355.4p	
Farm products (1969=100) . . . . .	275.6	315.0	337.2	337.6	342.0	342.0	342.0p	342.0p	342.0p	342.3p	
Grain (Dec. 1978=100) . . . . .	127.9	148.1	159.5	159.7	160.0	160.0	160.0p	160.0p	160.0p	160.0p	
Food products (1969=100) . . . . .	283.1	329.4	353.3	353.1	356.4	356.4	356.4p	356.4p	356.4p	356.4p	
Rail carloadings of grain (thou. cars) <sup>2</sup> . . . . .	30.1	26.3	24.4	27.0	26.3	26.8	21.2r	20.8	22.1	27.9	
Barge shipments of grain (mil. bu.) <sup>3</sup> . . . . .	36.7	38.2	41.9	36.9	33.8	42.5	34.0	38.6	38.0	43.3	
<b>Fresh fruit and vegetable shipments</b>											
Piggy back (thousand cwt.) <sup>3,4</sup> . . . . .	124	247	384	449	530	446	486	693	681	574	
Rail (thou. cwt.) <sup>3,4</sup> . . . . .	1,218	711	688	785	918	713	645	792	1,206	764	
Truck (thou. cwt.) <sup>3,4</sup> . . . . .	7,594	7,662	7,858	8,203	7,097	7,547	8,035	8,709	9,638	8,507	

<sup>1</sup> Department of Labor, Bureau of Labor Statistics, revised April 1982. <sup>2</sup> Weekly average; from Association of American Railroads. <sup>3</sup> Weekly average; from Agricultural Marketing Service, USDA. <sup>4</sup> Preliminary data for 1982. p = preliminary.

# Livestock and Products

## Poultry and eggs

	Annual			1982		1983				
	1980	1981	1982 p	July	Feb	Mar	Apr	May	June	July
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.) . . . . .	11,272	11,106	12,039	1,029.5	929.5	1,109.8	1,054.3	1,094.4	1,092.2	—
Wholesale price, 9-city, (cts./lb.) <sup>1</sup> . . . . .	46.8	46.3	44.0	46.1	45.2	41.9	40.9	46.9	49.1	52.8
Price of broiler grower feed (\$/ton) . . . . .	207	227	210	217	206	210	215	220	217	217
Broiler-feed price ratio (lb.) <sup>2</sup> . . . . .	2.7	2.6	2.5	2.6	2.7	2.4	2.3	2.4	2.6	2.8
Average weekly placements of broiler chicks, 19 States (mil.) . . . . .	77.9	77.1	80.2	81.9	81.6	84.9	85.0	83.7	83.5	81.0
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.) . . . . .	2,332	2,509	2,459	228.3	133.4	180.1	164.7	183.7	227.7	—
Wholesale price, New York, 8-18 lb.										
young hens (cts./lb.) . . . . .	63.6	60.7	60.8	64.1	54.9	56.0	54.4	56.6	60.9	58.5
Price of turkey grower feed (\$/ton) . . . . .	223	249	229	238	227	230	241	241	246	243
Turkey-feed price ratio (lb.) <sup>2</sup> . . . . .	3.6	3.1	3.3	3.4	2.9	2.9	2.7	2.9	2.9	2.8
Poults hatched (mil.) . . . . .	188.7	187.3	184.2	20.3	15.4	(*)	(*)	(*)	(*)	(*)
Poults placed in U.S. (mil.) . . . . .	(*)	(*)	(*)	(*)	15.0	19.0	19.8	20.9	20.9	19.1
<b>Eggs</b>										
Price of laying feed (\$/ton) . . . . .	188	210	190	194	188	189	198	202	201	202
Egg-feed price ratio (lb.) <sup>2</sup> . . . . .	6.0	6.0	6.1	5.7	5.8	6.2	5.8	6.1	5.9	5.7
Cartoned price, New York, grade A										
large (cts./doz.) <sup>3</sup> . . . . .	66.9	73.2	70.1	64.0	65.7	69.1	67.6	69.9	69.7	—
Replacement chicks hatched (mil.) . . . . .	485	454	444	35.4	33.1	39.5	37.2	39.0	37.9	30.9
Annual			1983							
	1980	1981	1982 p	Jan	Feb	Mar	Apr	May	June	July
<b>Eggs</b>										
Farm production (mil.) . . . . .	69,671	69,827	69,880	5,922	5,345	5,918	5,608	5,691	5,495	5,628
Average number of layers on farms (mil.) . . . . .	288	288	286	284	281	278	274	271	269	268
Rate of lay (eggs per layer) . . . . .	242	243	244	20.8	19.0	21.3	20.4	21.0	20.4	21.0
Annual			1983							
	1980	1981	1982 p	Jan	Feb	Mar	Apr	May	June	July
<b>Stocks</b>										
Eggs, shell (thou. cases) . . . . .	38	31	35	34	35	25	18	23	32	44
Eggs, frozen (mil. lb.) . . . . .	23.4	24.3	23.7	25.4	28.1	27.5	24.9	24.2	23.0	22.9
Broilers, beginning of period (mil. lb.) . . . . .	30.6	22.4	32.6	22.3	20.8	17.6	20.9	20.6	18.4	20.8
Turkeys, beginning of period (mil. lb.) . . . . .	240.0	198.0	238.4	203.9	193.8	187.7	185.3	192.3	210.5	255.7

<sup>1</sup> 12-city composite weighted average beginning April 25, 1983. <sup>2</sup> Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight.

<sup>3</sup> Price of cartoned eggs to volume buyers for delivery to retailers. <sup>4</sup> Not reported.

## Dairy

	Annual			1982		1983					
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July	
Milk prices, Minnesota-Wisconsin,											
3.5% fat (\$/cwt.) <sup>1</sup>	11.88	12.57	12.48	12.42	12.59	12.53	12.51	12.51	12.50	12.50	
Price of 16% dairy ration (\$/ton)	177	192	177	180	177	175	182	184	184	182	
Milk-feed price ratio (lb./lb.) <sup>2</sup>	1.47	1.43	1.54	1.47	1.56	1.55	1.48	1.45	1.43	1.45	
Wholesale prices:											
Butter, Grade A Chi. (cts./lb.)	139.3	148.0	147.7	147.6	147.2	147.2	147.2	147.2	147.3	147.2	
Am. cheese, Wis. assembly pt. (cts./lb.)	133.0	139.4	138.3	137.4	138.4	138.0	137.6	137.4	137.4	137.0	
Nonfat dry milk, (cts./lb.) <sup>3</sup>	88.4	93.1	93.2	93.1	93.4	93.4	93.4	93.4	93.4	93.4	
USDA net removals (mil. lb.):											
Total milk equiv. (mil. lb.) <sup>4</sup>	8,799.9	12,860.9	14,286.6	10,056.4	1,890.8	1,782.0	1,958.0	1,971.3	1,848.6	1,358.5	
Butter (mil. lb.)	257.0	351.5	382.3	18.1	59.2	46.7	53.3	55.5	40.1	23.4	
Am. cheese (mil. lb.)	349.7	563.0	642.5	68.6	67.3	82.3	86.3	B3.0	102.8	88.2	
Nonfat dry milk (mil. lb.)	634.3	851.3	952.9	98.3	83.9	106.0	95.9	111.8	123.7	102.9	
	Annual			1981		1982			1983		
	1980	1981	1982	IV		I	II	III	IV	I	II
Milk:											
Total milk production (mil. lb.)	128,525	133,013	135,795	32,060	33,235	35,723	33,983	32,854	33,955	36,453	
Milk per cow (lb.)	11,889	12,177	12,316	2,917	3,016	3,246	3,082	2,972	3,070	3,294	
Number of milk cows (thou.)	10,810	10,923	11,026	10,991	11,021	11,004	11,026	11,053	11,069	11,068	
Stocks, beginning											
Total milk equiv. (mil. lb.) <sup>4</sup>	8,599	12,958	18,377	19,813	18,377	18,022	20,990	20,916	20,054	22,204	
Commercial (mil. lb.)	5,419	5,752	5,398	5,255	5,398	5,167	5,042	4,569	4,603	5,047	
Government (mil. lb.)	3,180	7,207	12,980	14,558	12,980	12,855	15,949	16,347	15,451	17,156	
Imports, total equiv. (mil. lb.) <sup>4</sup>	2,109	2,329	2,477	877	422	565	581	909	633	538	
Commercial disappearance milk equiv. (mil. lb.)	119,161	120,531	122,460	30,562	28,655	30,947	31,804	31,056	27,931	30,526	
Butter:											
Production (mil. lb.)	1,145.3	1,228.2	1,257.0	302.3	366.6	334.0	256.4	300.0	380.7	357.1	
Stocks, beginning (mil. lb.)	177.8	304.6	429.2	489.5	429.2	447.8	541.6	510.0	466.8	533.0	
Commercial disappearance (mil. lb.)	878.8	869.2	897.1	243.2	211.4	217.6	217.1	251.0	208.3	208.5	
American cheese:											
Production (mil. lb.)	2,375.8	2,642.3	2,750.5	619.3	662.1	759.4	673.2	655.7	705.2	619.3	
Stocks, beginning (mil. lb.)	406.6	591.5	889.1	886.4	889.1	817.1	903.2	955.0	981.4	1,060.4	
Commercial disappearance (mil. lb.)	2,023.9	2,147.9	2,165.0	556.5	541.3	546.1	549.4	528.1	459.2	558.4	
Other Cheese:											
Production (mil. lb.)	1,608.5	1,635.3	1,789.4	430.9	411.9	443.5	446.1	485.8	439.1	454.1	
Stocks, beginning (mil. lb.)	105.6	99.3	86.6	95.7	86.6	80.9	91.6	99.2	82.8	85.3	
Commercial disappearance (mil. lb.)	1,827.9	1,875.6	2,044.6	532.9	462.9	484.5	501.0	596.2	496.1	495.9	
Nonfat dry milk:											
Production (mil. lb.)	1,160.7	1,314.3	1,400.6	291.4	247.2	417.5	339.0	296.9	368.4	451.8	
Stocks, beginning (mil. lb.)	485.2	566.8	889.7	809.0	889.7	975.6	1,132.4	1,240.1	1,282.0	1,305.7	
Commercial disappearance (mil. lb.)	538.9	464.1	443.0	118.0	105.0	75.5	142.3	120.2	109.0	n.a.	
Frozen dessert production (mil. gal.) <sup>4</sup>	1,166.9	1,167.7	1,176.2	244.6	249.3	333.7	345.8	247.5	263.2	n.a.	

<sup>1</sup> Manufacturing grade milk. <sup>2</sup>Pounds of 16% protein ration equal in value to 1 pound of milk. <sup>3</sup>Prices paid f.o.b. Central States production area, high heat spray process. <sup>4</sup>Milk equivalent, fat-solids basis. <sup>5</sup>Ice cream, ice milk, and sherbert. n.a. = not available.

## Wool

	Annual			1982		1983				
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July
U.S. wool price, Boston <sup>1</sup> (cts./lb.)	245	278	247	240	n.a.	193	193	193	198	219
Imported wool price, Boston <sup>2</sup> (cts./lb.)	265	292	262	247	249	241	241	247	248	265
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	113,423	127,752	105,005	5,889	9,645	12,839	10,640	9,926	13,740	n.a.
Carpet wool (thou. lb.)	10,020	10,896	9,825	568	955	1,177	939	1,011	1,229	n.a.

<sup>1</sup> Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2½" and up. Prior to January 1976 reported as Territory fine, good French combing and staple. <sup>2</sup> Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron), including duty (25.5 cents). Duty in 1982 is 10.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding. n.a. = not available.

## Meat animals

	Annual			1982		1983				
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July
<b>Cattle on feed (7-States)</b>										
Number on feed (thou. head) <sup>1</sup>	8,454	7,863	7,201	7,181	8,052	7,604	7,268	7,221	7,331	7,275
Placed on feed (thou. head)	18,346	17,814	20,261	12,205	11,179	13,394	15,666	18,843	15,582	11,190
Marketings (thou. head)	17,448	17,198	18,007	1,482	1,506	1,593	1,470	1,583	1,560	1,498
Other disappearance (thou. head)	1,489	1,263	1,139	68	121	137	143	150	78	94
Beef steer-corn price ratio, Omaha (bu.) <sup>2</sup>	25.1	22.2	26.5	26.1	23.4	22.7	21.9	21.8r	21.2	19.6
Hog-corn price ratio, Omaha (bu.) <sup>3</sup>	14.6	15.5	22.9	23.3	21.7	18.1	15.4	15.2r	14.7	14.4
<b>Market prices (\$ per cwt.)</b>										
Slaughter cattle:										
Choice steers, Omaha	66.96	63.84	64.30	66.18	61.20	64.03	67.70	67.51	65.90	62.22
Utility cows, Omaha	45.73	41.93	39.96	42.52	40.92	42.36	43.04	42.98	42.26	41.14
Choice vealers, S. St. Paul	75.53	77.16	77.70	84.38	75.00	75.50	77.12	76.00	71.00	75.00
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	75.23	66.24	64.82	65.26	67.35	69.19	68.38	67.62	64.75	60.13
Slaughter hogs:										
Barrows and gilts, 7-markets	40.04	44.45	55.44	59.83	57.27	50.94	47.50	47.02	45.71	45.66
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	30.14	35.40	51.14	53.26	55.40	52.36	43.74	35.14	26.05r	21.24
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	66.42	58.40	56.44	57.50	60.88	63.30	65.75	60.62	56.62	50.75
Ewes, Good, San Angelo	24.68	26.15	21.80	26.88	19.25	21.10	20.50	14.94	14.50	17.00
Feeder lambs:										
Choice, San Angelo	68.36	56.86	52.97	51.31	64.06	63.90	65.62	56.62	51.44	44.38
Wholesale meat prices, Midwest										
Choice steer beef, 600-700 lb.	104.44	99.84	101.31	102.61	96.55	100.62	107.76	105.00	102.47	97.72
Canner and Cutter cow beef	92.45	84.06	78.96	80.94	83.83	84.04	84.31	83.67	82.98	81.21
Pork loins, 8-14 lb.	84.87	96.56	111.51	121.29	—	—	—	—	100.58	102.50
Pork bellies, 12-14 lb.	43.78	52.29	76.54	84.50	—	65.11	64.71	60.80	60.19	59.06
Hams, skinned, 14-17 lb.	73.34	77.58	91.47	87.62	88.93	81.39	70.02	66.29	63.51	65.04
	Annual			1982				1983		
	1980	1981	1982	I	II	III	IV	I	II	III
<b>Cattle on feed (13-States)</b>										
Number on feed (thou. head) <sup>1</sup>	10,399	9,845	9,028	9,026	8,818	8,981	8,800	10,271	9,153	9,067
Placed on feed (thou. head)	22,548	21,929	24,425	5,572	5,781	5,846	7,226	5,047	5,886	—
Marketings (thou. head)	21,306	21,219	21,809	5,443	5,209	5,773	5,384	6,714	5,522	* 5,842
Other disappearance (thou. head)	1,796	1,527	1,373	339	409	254	371	451	450	—
<b>Hogs and pigs (10-States)</b> <sup>1</sup>										
Inventory (thou. head)	49,000	45,970	41,940	45,970	40,610	41,190	41,670	42,440	41,840	45,250
Breeding (thou. head) <sup>1</sup>	6,840	6,021	5,593	6,021	5,578	5,689	5,553	5,670	5,928	6,224
Market (thou. head) <sup>1</sup>	42,250	39,949	36,347	39,949	35,032	35,501	36,117	36,770	35,912	39,026
Farrowings (thou. head)	10,527	9,821	8,963	1,977	2,391	2,199	2,363	2,090	2,768	* 2,415
Pig crop (thou. head)	76,230	72,591	65,767	14,059	17,943	16,254	17,548	15,543	21,063	—
<b>Commercial slaughter (thou. head)*</b>										
Cattle	33,807	34,953	35,843	8,679	8,642	9,214	9,308	8,734	8,844	—
Steers	17,156	17,508	17,277	4,431	4,390	4,323	4,133	4,265	4,387	—
Heifers	9,593	10,027	10,394	2,337	2,353	2,879	2,825	2,581	2,553	—
Cows	6,334	6,643	7,354	1,738	1,685	1,787	2,144	1,701	1,694	—
Bulls and stags	724	775	818	173	214	225	206	187	210	—
Calves	2,588	2,798	3,021	770	675	770	806	734	669	—
Sheep and lambs	5,579	6,008	6,449	1,602	1,537	1,628	1,681	1,624	1,574	—
Hogs	96,074	91,575	82,190	21,714	20,712	18,940	20,825	20,211	21,403	—
<b>Commercial production (mil. lb.)</b>										
Beef	21,470	22,214	22,366	5,455	5,363	5,730	5,818	5,525	5,549	—
Veal	379	415	423	107	99	107	110	103	98	—
Lamb and mutton	310	327	356	90	85	88	93	93	89	—
Pork	16,432	15,716	14,121	3,693	3,550	3,240	3,638	3,483	3,726	—

<sup>1</sup> Beginning of period. <sup>2</sup> Bushels of corn equal in value to 100 pounds liveweight. <sup>3</sup> Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). \*Intentions. <sup>a</sup>Classes estimated. r = revised.

# Crops and Products

## Food grains

	Marketing year <sup>1</sup>			1982		1983				
	1979/80	1980/81	1981/82	July	Feb	Mar	Apr	May	June	July
<b>Wholesale prices:</b>										
Wheat, No. 1 HRW, Kansas City (\$/bu.) <sup>2</sup>	4.25	4.45	4.27	3.74	4.08	4.18	4.21	4.05	3.92	3.71
Wheat, DNS, Minneapolis (\$/bu.) <sup>2</sup>	4.16	4.46	4.17	4.08	3.82	4.01	4.34	4.25	4.15	4.07
Flour, Kansas City (\$/cwt.)	10.03	10.35	10.37	10.21	10.49	10.50	10.16	10.35	10.39	*10.40
Flour, Minneapolis (\$/cwt.)	10.27	10.98	10.70	10.54	10.30	10.76	10.81	10.95	11.21	*11.22
Rice, S.W. La. (\$/cwt.) <sup>3</sup>	22.15	25.95	20.20	17.00	17.50	17.50	18.50	18.50	18.60	18.75
<b>Wheat:</b>										
Exports (mil. bu.)	1,375	1,514	1,773	120	156	138	124	107	125	—
Mill grind (mil. bu.)	630	643	631	52	53	59	54	58	56	—
Wheat flour production (mil. cwt.)	283	290	280	23	23	27	24	26	25	—
	Marketing year <sup>1</sup>			1982				1983		
	1979/80	1980/81	1981/82	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May p	June-Sept p
<b>Wheat:</b>										
Stocks, beginning (mil. bu.)	924	902	989	2,178	1,557	1,164	2,987	2,520	1,877	1,541
<b>Domestic use:</b>										
Food (mil. bu.)	596	611	600	152	87	206	162	151	96	—
Feed and seed (mil. bu.) <sup>4</sup>	187	165	253	29	24	235	15	53	10	—
Exports (mil. bu.)	1,375	1,514	1,773	441	282	546	293	442	230	—

<sup>1</sup> Beginning June 1 for wheat and August 1 for rice. <sup>2</sup> Ordinary protein. <sup>3</sup> Long-grain, milled basis. <sup>4</sup> Feed use approximated by residual.  
n.a. = not available. \*BLS discontinued reporting prices, prices estimated based on index.

## Feed grains

	Marketing year <sup>1</sup>			1982		1983				
	1979/80	1980/81	1981/82	July	Feb	Mar	Apr	May	June	July
<b>Wholesale prices:</b>										
Corn, No. 2 yellow, St. Louis (\$/bu.)	2.73	3.35	2.61	2.68	2.79	2.99	3.24	3.24	3.27	3.39
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	4.65	5.36	4.29	4.38	4.87	5.08	5.30	5.37	5.37	5.32
Barley, feed, Minneapolis (\$/bu.)	2.16	2.80	2.21	1.85	1.72	1.73	2.01	1.95	1.96	1.95
Barley, malting, Minneapolis (\$/bu.)	2.87	3.64	3.06	2.63	2.42	2.45	2.68	2.76	2.60	2.54
<b>Exports:</b>										
Corn (mil. bu.)	2,433	2,355	1,967	121	162	170	159	150	152	125
Feed grains (mil. metric tons) <sup>2</sup>	71.7	69.4	58.4	3.7	4.6	4.9	4.2	4.1	4.2	3.6
	Marketing year <sup>1</sup>			1982				1983		
	1979/80	1980/81	1981/82	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May p
<b>Corn:</b>										
Stocks, beginning (mil. bu.)	1,304	1,618	1,034	1,034	6,968	5,132	3,904	2,286	8,424	6,364
<b>Domestic use:</b>										
Feed (mil. bu.)	4,519	4,139	4,173	1,553	1,194	872	753	1,544	1,380	812
Food, seed, ind. (mil. bu.)	675	735	812	170	153	147	342	203	171	164
<b>Feed grains:</b> <sup>3</sup>										
Stocks, beginning (mil. metric tons)	46.2	52.4	34.6	45.5	207.0	150.5	114.3	84.9	250.5	188.7
<b>Domestic use:</b>										
Feed (mil. metric tons)	138.7	123.0	127.9	47.4	36.6	20.1	23.7	48.1	41.7	24.2
Food, seed, ind. (mil. metric tons)	22.3	23.8	25.8	5.3	5.2	5.0	10.3	6.2	5.4	5.6

<sup>1</sup> Beginning October 1 for corn and sorghum; June 1 for oats and barley. <sup>2</sup> Aggregated data for corn, sorghum, oats, and barley. p = preliminary.

## Fats and oils

	Marketing year <sup>1</sup>			1982		1983				
	1979/80	1980/81	1981/82	July	Feb	Mar	Apr	May	June	July
<b>Soybeans:</b>										
Wholesale price, No. 1 yellow,										
Chicago (\$/bu.) <sup>2</sup>	6.46	7.59	6.24	6.18	5.91	5.98	6.38	6.26	6.07	6.62
Crushings (mil. bu.)	1,123.0	1,020.5	1,029.7	70.6	93.0	94.6	81.8	83.7	81.5	—
Exports (mil. bu.)	875.0	724.3	929.1	43.6	87.2	84.4	73.3	58.5	67.7	—
<b>Soybean oil:</b>										
Wholesale price, crude, Decatur (cts./lb.)	24.3	22.7	19.0	19.0	17.3	17.7	19.3	19.8	19.4	21.6
Production (mil. lb.)	12,105.3	11,270.2	10,979.4	765.8	997.0	1,015.4	881.3	908.8	891.2	—
Domestic disappearance (mil. lb.)	8,980.7	9,113.7	9,536.3	737.4	784.2	783.5	816.9	830.0	803.2	—
Exports (mil. lb.)	2,690.2	1,630.5	2,076.3	270.2	225.9	90.4	305.7	127.5	94.1	—
Stocks, beginning (mil. lb.)	776.0	1,210.2	1,736.1	1,889.4	1,713.4	1,700.3	1,841.8	1,800.4	1,551.9	1,545.8
<b>Soybean meal:</b>										
Wholesale price, 44% protein, Decatur (\$/ton)	181.91	218.18	182.52	181.9	177.1	177.3	186.8	185.8	175.5	189.3
Production (thou. ton)	27,105.1	24,312.1	24,634.4	1,684.4	2,220.7	2,258.7	1,949.8	1,992.7	1,955.9	—
Domestic disappearance (thou. ton)	19,215.0	17,590.9	17,714.4	1,353.6	1,371.3	1,490.3	1,484.5	1,548.5	1,491.4	—
Exports (thou. ton)	7,931.9	6,784.1	6,907.5	346.6	826.8	850.2	450.2	458.8	533.8	—
Stocks, beginning (thou. ton)	267.4	225.6	162.7	224.9	400.2	422.8	341.0	356.1	341.5	272.2
Margarine, wholesale price, Chicago (cts/lb.)	50.3	47.0	41.4	42.4	40.0	40.0	40.8	42.4	42.8	43.5

<sup>1</sup> Beginning September 1 for soybeans; October 1 for soymeal and oil; calendar year for margarine. <sup>2</sup> Beginning April 1, 1982 prices based on 30 day delivery, using upper end of the range.

## Cotton

	Marketing year <sup>1</sup>			1982		1983				
	1979/80	1980/81	1981/82	July	Feb	Mar	Apr	May	June	July
U.S. price, SLM, 1-1/16 in. (cts/lb.) <sup>2</sup>	71.5	83.0	60.5	65.0	61.7	66.1	65.3	66.9	70.7	70.3
<b>Northern Europe prices:</b>										
Index (cts/lb.) <sup>3</sup>	na	93.3	73.8	78.5	74.3	78.9	80.2	82.0	86.0	88.4
U.S. M 1-3/32" (cts/lb.) <sup>4</sup>	na	na	75.9	80.6	75.5	81.4	80.8	80.6	85.1	88.1
U.S. mill consumption (thou. bales)	6,463.0	5,870.5	5,263.8	330.9	452.6	576.3	450.4	462.3	571.4	—
Exports (thou. bales)	9,228.9	5,925.8	6,567.3	416.8	385.8	512.6	639.8	483.6	458.1	—

<sup>1</sup> Beginning August 1. <sup>2</sup> Average spot market. <sup>3</sup> Liverpool Outlook "A" Index; average of five lowest priced of 10 selected growths. <sup>4</sup> Memphis territory growths. na = not available.

## Fruit

	Annual			1982		1983				
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July
<b>Wholesale price indexes:</b>										
Fresh fruit (1967=100)	237.3	226.7	235.4	215.4	227.1	214.9	249.7	231.9	238.7	265.0
Dried fruit (1967=100)	399.2	405.9	409.7	407.2	411.4	410.4	411.9	412.0	412.3	412.5
Canned fruit and juice (1967=100)	256.4	273.8	283.7	285.1	283.2	282.4	281.9	284.1	284.8	286.5
Frozen fruit and juice (1967=100)	244.3	302.8	305.6	302.7	296.1	300.1	300.3	302.3	301.3	301.3
<b>F.O.B. shipping point prices:</b>										
Apples, Yakima Valley (\$/ctn.) <sup>1</sup>	n.a.	n.a.	n.a.	13.55	*10.33	*9.85	*9.69	*10.69	*11.00	*11.06
Pears, Medford, Or. (\$/box) <sup>2</sup>	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Oranges, U.S. avg. (\$/box)	9.58	11.30	14.10	18.30	10.40	10.20	10.10	9.17	9.59	10.90
Grapefruit, U.S. avg. (\$/box)	8.50	10.10	9.36	11.60	8.63	8.55	8.75	9.15	10.20	10.40
<b>Year Ending</b>										
1980	1981	1982	July	Feb	Mar	Apr	May	June	July	
<b>Stocks, ending:</b>										
Fresh apples (mil. lb.)	2,244.6	2,678.1	3,138.9	n.a.	1,900.0	1,322.6	861.5	427.0	216.3	68.2
Fresh pears (mil. lb.)	205.0	207.9	180.9	n.a.	110.2	77.5	48.8	18.2	.3	12.6
Frozen fruit (mil. lb.)	579.5	545.6	627.5	n.a.	482.8	430.3	387.3	351.5	470.5	550.9
Frozen fruit juices (mil. lb.)	1,008.4	1,127.2	1,157.6	n.a.	1,380.2	1,326.0	1,553.4	1,850.6	1,666.3	1,528.2

<sup>1</sup> Red Delicious, Washington extra fancy, carton tray pack, 80-113's. <sup>2</sup> D'Anjou pears, Medford, or wrapped, U.S. No. 1, 100-135's. <sup>3</sup> Control atmosphere storage. n.a. = not available.

## Vegetables

	Annual			1982		1983				
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July
<b>Wholesale Prices:</b>										
Potatoes, white, f.o.b. East (\$/cwt.) . . .	6.32	9.39	6.05	6.30	4.08	4.08	7.53	6.30	9.50	10.97
Iceberg lettuce (\$/crtn.) <sup>1</sup> . . . . .	4.25	5.27	5.92	5.26	3.44	6.20	6.04	7.50	9.50	4.23
Tomatoes (\$/crtn.) <sup>2</sup> . . . . .	7.57	9.06	7.40	6.09	13.62	19.12	15.75	9.73	7.91	4.52
Wholesale price index, 10 canned veg. (1967=100) . . . . .	200	235	239	242	230	232	232	231	231	236
Grower price index, fresh commercial veg. (1977=100) . . . . .	110	135	121	115	120	141	154 <sup>1</sup>	141	139	114

<sup>1</sup> Std. carton 24's f.o.b. shipping point. <sup>2</sup> 5 x 6-6 x 6, f.o.b. Fla-Cal.

## Sugar

	Annual			1982		1983				
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July
U.S. raw sugar price, N.Y. (cts./lb.) <sup>1</sup> . . .	30.11	19.73	19.92	22.15	21.76	21.86	22.43	22.59	22.54	22.09
U.S. deliveries (thou. short tons) <sup>2</sup> . . . .	10,149	9,731	n.a.							

<sup>1</sup> Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid August 1979 after being suspended November 3, 1977. <sup>2</sup> Raw value. <sup>3</sup> Excludes Hawaii. n.a. = not available.

## Tobacco

	Annual			1982		1983				
	1980	1981	1982 p	July	Feb	Mar	Apr	May	June	July
<b>Prices at auctions:</b>										
Flue-cured (cts./lb.) <sup>1</sup> . . . .	144.5	166.4	178.6	—	—	—	—	—	—	—
Burley (cts./lb.) <sup>1</sup> . . . .	165.9	180.6	180.3	—	180.0	—	—	—	—	—
<b>Domestic consumption<sup>2</sup></b>										
Cigarettes (bill.) . . . .	620.7	640.0	633.0	49.2	42.7	54.4	47.5	47.9	n.a.	n.a.
Large cigars (mil.). . . .	3,994	3,893	3,607	268.5	236.0	293.1	259.8	303.4	n.a.	n.a.

<sup>1</sup> Crop year July-June for flue-cured, October-September for burley. <sup>2</sup> Taxable removals. n.a. = not available.

## Coffee

	Annual			1982		1983				
	1980	1981	1982 p	July	Feb	Mar	Apr	May	June	July p
<b>Composite green price, N.Y. (cts./lb.) . . .</b>										
Imports, green bean equivalent (mil. lb.) <sup>1</sup> . .	157.78	122.10	132.00	125.11	128.88	126.47	125.72	127.62	126.61	127.36
	2,466	2,248	2,352	128	178	182	172	208	172 F	140 F
<b>Roastings (mil. lb.)<sup>2</sup> . . . . .</b>										
	1980	1981	1982 p	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June	July-Sept F
	2,255	2,324	2,293	585	496	536	674	554	486	520

<sup>1</sup> Green and processed coffee. <sup>2</sup> Instant soluble and roasted coffee. F = Forecast; p = preliminary.

# Supply and Utilization: Crops

## Supply and utilization: domestic measure<sup>1</sup>

	Area			Production	Total Supply <sup>2</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested	Yield								
	Mil. acres	Bu/acre	Mil. bu								
<b>Wheat:</b>											
1979/80	71.4	62.5	34.2	2,134	3,060	86	697	1,375	2,158	902	3.78
1980/81	80.6	71.0	33.4	2,374	3,279	51	725	1,514	2,290	989	3.91
1981/82*	88.9	81.0	34.5	2,799	3,791	142	712	1,773	2,627	1,164	3.65
1982/83*	87.3	78.8	35.6	2,809	3,980	216	712	1,511	2,439	1,541	3.53
1983/84*	76.6	61.0	39.8	2,424	3,968	280	725	1,400	2,405	1,563	3.50-3.70
<b>Rice:</b>											
1979/80	2.89	2.87	4,599	131.9	163.6	76.1	49.2	82.6	137.9	25.7	10.50
1980/81*	3.38	3.31	4,413	146.2	172.1	79.7	54.5	91.4	155.6	16.5	12.80
1981/82*	3.83	3.79	4,819	182.7	199.6	79.0	59.6	82.0	150.6	49.0	9.05
1982/83*	3.29	3.25	4,742	154.2	203.7	710.0	58.5	67.0	135.5	68.2	8.18
1983/84*	2.34	2.31	4,637	107.1	175.9	710.0	620	67.5	139.5	36.4	8.50-10.00
<b>Corn:</b>											
1979/80	81.4	72.4	109.7	7,939	9,244	4,519	675	2,433	7,627	1,617	2.52
1980/81	84.0	73.0	91.0	6,645	8,263	4,139	735	2,355	7,229	1,034	3.11
1981/82*	84.2	74.7	109.8	8,202	9,237	4,173	811	1,967	6,951	2,286	2.50
1982/83*	81.9	73.2	114.8	8,397	10,684	4,500	900	1,850	7,250	3,434	2.65
1983/84*	60.1	52.4	99.9	5,237	8,672	4,250	960	2,000	7,210	1,462	2.95-3.20
<b>Sorghum:</b>											
1979/80	15.3	12.9	62.7	809	969	484	13	325	822	147	2.34
1980/81	16.6	12.5	46.3	579	726	307	11	299	617	109	2.94
1981/82*	16.0	13.7	64.1	879	988	431	11	249	691	297	2.39
1982/83*	16.1	14.2	59.0	841	1,138	475	11	205	691	447	2.53
1983/84*	-	-	55.5	562	1,009	450	11	250	711	298	2.75-2.95
<b>Barley:</b>											
1979/80	8.1	7.5	50.9	383	623	204	172	55	431	192	2.29
1980/81	8.3	7.3	49.6	361	563	174	175	77	426	137	2.86
1981/82*	9.7	9.2	52.3	479	626	202	174	100	476	150	2.45
1982/83*	9.6	9.1	57.3	522	683	241	172	47	460	223	2.16
1983/84*	-	-	56.0	554	787	270	180	60	510	277	2.30-2.50
<b>Oats:</b>											
1979/80	14.0	9.7	54.4	527	808	492	76	4	572	236	1.36
1980/81	13.4	8.7	53.0	458	696	432	74	13	519	177	1.79
1981/82*	13.7	9.4	54.0	509	688	451	78	7	536	152	1.89
1982/83*	14.2	10.6	58.4	617	773	456	85	3	544	229	1.45
1983/84*	-	-	55.7	504	738	460	80	10	550	188	1.55-1.70
<b>Soybeans:</b>											
1979/80	71.6	70.6	32.1	2,268	2,442	785	1,123	875	2,083	359	8.28
1980/81	70.0	67.9	26.4	1,792	2,151	789	1,020	724	1,833	318	7.57
1981/82*	67.8	66.4	30.1	2,000	2,318	793	1,030	929	2,052	266	6.04
1982/83*	72.2	70.8	32.2	2,277	2,543	788	1,100	900	2,088	455	5.57
1983/84*	63.3	62.1	29.7	1,843	2,298	788	1,105	830	2,023	275	6.50-8.00
<b>Soybean oil:</b>											
1979/80	-	-	-	12,105	12,881	-	8,981	2,690	11,671	1,210	24.3
1980/81	-	-	-	11,270	12,480	-	9,113	1,631	10,744	1,736	22.7
1981/82*	-	-	-	10,979	12,715	-	9,535	2,077	11,612	1,103	19.0
1982/83*	-	-	-	11,847	12,950	-	9,850	1,900	11,750	1,200	19.5
1983/84*	-	-	-	12,045	13,245	-	10,300	1,900	12,200	1,045	20.0-25.0
<b>Soybean meal:</b>											
1979/80	-	-	-	27,105	27,372	-	19,214	7,932	27,146	226	181.9
1980/81	-	-	-	24,312	24,538	-	17,591	6,784	24,375	163	218.2
1981/82*	-	-	-	24,634	24,797	-	17,714	6,908	24,622	175	183
1982/83*	-	-	-	26,275	26,450	-	19,100	7,100	26,200	250	185
1983/84*	-	-	-	26,350	26,600	-	19,450	6,900	26,350	250	200-230

See footnotes at end of table.

## Supply and utilization—domestic measure, continued

	Area		Yield	Production	Total Supply <sup>1</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
	Mil. acres	lb/acre									
Cotton:											
1979/80 . . . . .	14.0	12.8	547	14.6	18.6	—	6.5	9.2	15.7	3.0	\$62.5
1980/81 . . . . .	14.5	13.2	404	11.1	14.1	—	5.9	5.9	11.8	2.7	\$74.7
1981/82* . . . . .	14.3	13.8	543	15.6	18.3	—	5.3	6.6	11.8	6.6	\$54.3
1982/83* . . . . .	11.3	9.7	590	12.0	18.6	—	6.6	6.2	10.7	8.0	—
1983/84* . . . . .	8.3	7.5	503	7.8	15.8	—	5.9	5.3	11.2	4.7	—

## Supply and utilization—metric measure<sup>6</sup>

	Mil. hectares		Metric tons/ha	Production	Total Supply <sup>1</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	\$/metric ton
	Mil. hectares	Metric tons/ha									
Wheat:											
1979/80 . . . . .	28.9	25.3	2.30	58.1	83.3	2.3	19.0	37.4	58.7	24.5	139
1980/81 . . . . .	32.6	28.7	2.25	64.6	89.2	1.4	19.7	41.2	62.3	26.9	144
1981/82* . . . . .	36.0	32.8	2.32	76.2	103.2	3.9	19.3	48.3	71.5	31.7	134
1982/83* . . . . .	35.3	31.9	2.39	76.4	108.3	5.9	19.4	41.1	66.4	41.9	130
1983/84* . . . . .	31.0	24.7	26.8	66.0	108.0	7.6	19.8	38.1	65.5	42.5	129-136
Rice:											
1979/80 . . . . .	1.2	1.2	5.16	6.0	7.4	0.3	2.2	3.7	8.2	1.2	231
1980/81 . . . . .	1.4	1.3	4.95	6.6	7.8	0.4	2.5	4.2	7.1	0.7	282
1981/82* . . . . .	1.6	1.5	5.40	8.3	9.0	0.4	2.7	3.7	6.8	2.2	200
1982/83* . . . . .	1.3	1.3	5.31	7.0	9.2	0.5	2.6	3.0	6.1	3.1	180
1983/84* . . . . .	1.0	0.9	5.20	4.9	8.0	0.4	2.8	3.1	6.3	1.7	187-220
Corn:											
1979/80 . . . . .	32.9	29.3	6.88	201.6	234.8	114.8	17.1	61.8	193.7	41.1	99
1980/81 . . . . .	34.0	29.5	5.72	168.8	209.9	105.1	18.7	59.8	183.6	26.3	122
1981/82* . . . . .	34.1	30.2	6.90	208.3	234.6	106.0	20.6	50.0	176.5	58.1	98
1982/83* . . . . .	33.1	29.6	7.21	213.3	271.4	114.3	22.9	47.0	184.2	87.2	104
1983/84* . . . . .	24.3	21.2	6.27	133.0	220.3	108.0	24.4	50.8	183.2	37.1	116-126
Feed Grain:											
1979/80 . . . . .	48.1	41.5	5.74	238.2	284.7	138.7	22.3	71.3	232.3	52.4	—
1980/81 . . . . .	49.1	41.1	4.82	198.0	250.7	123.0	23.8	69.3	216.1	34.6	—
1981/82* . . . . .	50.0	43.3	5.74	248.5	283.4	127.9	25.8	58.6	212.3	71.1	—
1982/83* . . . . .	49.3	43.3	5.89	255.0	326.4	138.2	28.1	53.3	219.6	106.8	—
1983/84* . . . . .	41.5	3.30	5.05	166.7	273.8	131.9	29.8	58.6	220.3	53.5	—
Soybeans:											
1979/80 . . . . .	29.0	28.6	2.16	61.7	66.5	4.23	30.6	23.8	56.7	9.8	231
1980/81 . . . . .	28.3	27.5	1.78	48.8	58.5	4.24	27.8	19.7	49.9	8.7	278
1981/82* . . . . .	27.4	26.9	2.03	54.4	63.1	4.25	28.0	25.3	55.8	7.2	222
1982/83* . . . . .	29.2	28.6	2.16	62.0	69.2	4.24	29.9	24.5	56.8	12.4	205
1983/84* . . . . .	—	—	—	50.2	66.5	4.24	30.1	22.6	55.1	7.5	239-294
Soybean oil:											
1979/80 . . . . .	—	—	—	5.49	5.84	—	4.07	1.22	5.29	.55	536
1980/81 . . . . .	—	—	—	5.11	5.66	—	4.13	.74	4.87	.79	500
1981/82* . . . . .	—	—	—	4.98	5.77	—	4.33	.94	5.27	.50	419
1982/83* . . . . .	—	—	—	5.37	5.87	—	4.47	.86	5.33	.54	430
1983/84* . . . . .	—	—	—	5.46	6.00	—	4.67	.86	5.53	.47	441-551
Soybean meal:											
1979/80 . . . . .	—	—	—	24.59	24.83	—	17.43	7.20	24.63	.20	201
1980/81 . . . . .	—	—	—	22.06	22.26	—	15.96	6.15	22.11	.15	241
1981/82* . . . . .	—	—	—	22.36	22.51	—	16.09	6.27	22.36	.16	201
1982/83* . . . . .	—	—	—	23.84	24.00	—	17.33	6.44	23.77	.23	204
1983/84* . . . . .	—	—	—	23.90	24.13	—	17.64	6.26	23.90	.23	220-254
Cotton:											
1979/80 . . . . .	5.7	5.2	.61	3.19	4.05	—	1.42	2.00	3.42	.65	\$1.38
1980/81 . . . . .	5.9	5.4	.45	2.42	3.07	—	1.28	1.28	2.57	.59	\$1.65
1981/82* . . . . .	5.8	5.6	.61	3.41	3.99	—	1.15	1.44	2.57	1.44	\$1.20
1982/83* . . . . .	4.8	3.9	.66	2.62	4.05	—	1.20	1.13	2.33	1.74	—
1983/84* . . . . .	3.4	3.0	.56	1.70	3.44	—	1.28	1.15	2.44	1.02	—

\*August 12, 1983 Supply and Demand Estimates. <sup>1</sup>Marketing year beginning June 1 for wheat, barley, and oats; August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soymeal, and soyoil. Includes imports. <sup>2</sup>Season average. <sup>3</sup>Includes seed. <sup>4</sup>Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. <sup>5</sup>Conversion factors: Hectare (ha) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. <sup>6</sup>Statistical discrepancy.

# General Economic Data

## Gross national product and related data

	Annual			1982			1983	
	1980	1981	1982	II	III	IV	I	II
\$ Bil. (Quarterly data seasonally adjusted at annual rates)								
<b>Gross national product<sup>1</sup></b> . . . . .	2,631.7	2,954.1	3,073.0	3,070.2	3,090.7	3,109.6	3,171.5	3,270.0
Personal consumption expenditures . . . . .	1,668.1	1,857.2	1,991.9	1,972.8	2,008.8	2,046.9	2,073.0	2,148.4
Durable goods . . . . .	214.7	236.1	244.5	242.9	243.4	252.1	258.5	278.0
Non durable goods . . . . .	668.8	733.9	761.0	754.7	766.6	773.0	777.1	798.2
Clothing and shoes . . . . .	104.6	115.3	119.0	119.0	119.2	119.6	120.0	126.6
Food and beverages . . . . .	345.1	375.9	396.9	394.7	400.4	404.5	411.7	418.3
Services . . . . .	784.5	887.1	986.4	975.2	998.9	1,021.8	1,037.4	1,072.2
Gross private domestic investment . . . . .	401.9	474.9	414.5	432.5	425.3	377.4	404.1	451.8
Fixed investment . . . . .	411.7	456.5	439.1	443.7	430.2	433.8	443.5	463.7
Nonresidential . . . . .	308.8	352.2	348.3	352.7	342.3	337.0	332.1	335.9
Residential . . . . .	102.9	104.3	90.8	91.0	87.9	96.8	111.3	127.7
Change in business inventories . . . . .	-9.8	18.5	-24.5	-11.2	-4.9	-56.4	-39.4	-11.9
Net exports of goods and services . . . . .	23.9	26.3	17.4	33.3	.9	5.6	17.0	-12.3
Exports . . . . .	338.8	368.8	347.6	364.5	346.0	321.6	326.9	322.8
Imports . . . . .	314.8	342.5	330.2	331.2	345.0	316.1	309.9	335.1
Government purchases of goods and services . . . . .	537.8	595.7	649.2	631.6	655.7	679.7	677.4	682.1
Federal . . . . .	197.0	229.2	258.7	244.1	261.7	279.2	273.5	272.7
State and local . . . . .	340.8	366.5	390.5	387.5	394.0	400.5	404.0	409.4
1972 \$Bil. (Quarterly data seasonally adjusted at annual rates)								
<b>Gross national Product</b> . . . . .	1,475.0	1,513.8	1,485.4	1,489.3	1,485.7	1,480.7	1,490.1	1,523.4
Personal consumption expenditures . . . . .	931.8	956.8	970.2	968.8	971.0	979.6	986.7	1,009.9
Durable goods . . . . .	137.5	141.2	139.8	139.5	138.2	143.2	145.8	156.3
Non durable goods . . . . .	355.6	362.5	364.2	363.5	364.7	366.0	368.9	374.2
Clothing and shoes . . . . .	77.9	83.2	84.4	84.4	84.1	84.5	84.7	88.6
Food and beverages . . . . .	181.0	181.8	184.0	182.9	184.8	186.4	188.2	188.8
Services . . . . .	438.8	453.1	466.2	465.7	468.2	470.4	472.0	479.4
Gross private domestic investment . . . . .	208.5	227.6	194.5	201.4	198.4	178.4	190.0	210.6
Fixed Investment . . . . .	212.9	219.1	203.9	204.9	199.8	201.1	205.4	214.6
Nonresidential . . . . .	165.8	174.4	166.1	167.1	163.3	160.5	159.9	162.3
Residential . . . . .	47.1	44.7	37.8	37.8	36.5	40.6	45.5	52.4
Change in business inventories . . . . .	-4.4	8.5	-9.4	-3.4	-1.3	-22.7	-15.4	-4.0
Net exports of goods and services . . . . .	50.3	43.0	28.9	33.4	24.0	23.0	20.5	11.0
Exports . . . . .	159.1	159.7	147.3	154.5	146.4	136.5	137.3	134.4
Imports . . . . .	108.8	116.7	118.4	121.1	122.4	113.5	116.8	123.4
Government purchases of goods and services . . . . .	284.3	286.5	291.8	285.8	292.2	299.7	292.9	291.9
Federal . . . . .	106.4	110.4	116.6	110.3	116.9	124.4	118.4	117.6
State and local . . . . .	177.9	176.1	175.2	175.4	175.3	175.2	174.5	174.3
<b>New plant and equipment expenditures (\$bil.)</b> . . . . .	295.63	321.49	316.43	323.22	315.79	302.77	293.03	302.23
<b>Implicit price deflator for GNP (1972=100)</b> . . . . .	178.42	195.14	206.88	206.15	208.03	210.00	212.83	214.66
<b>Disposable income (\$bil.)</b> . . . . .	1,828.9	2,047.6	2,176.5	2,159.0	2,191.5	2,227.8	2,255.9	2,303.0
<b>Disposable income (1972 \$bil.)</b> . . . . .	1,021.6	1,054.7	1,060.2	1,060.2	1,059.3	1,066.1	1,073.8	1,082.5
<b>Per capita disposable income (\$)</b> . . . . .	8,032	8,906	9,377	9,315	9,430	9,562	9,661	9,842
<b>Per capita disposable income (1972 \$)</b> . . . . .	4,487	4,587	4,567	4,574	4,558	4,576	4,599	4,626
<b>U.S. population, tot. incl. military abroad (mil.)</b> . . . . .	227.7	229.9	232.1	231.8	232.4	233.0	233.5	234.0
<b>Civilian population (mil.)</b> . . . . .	225.6	227.7	229.9	229.6	230.2	230.8	231.3	231.8

See footnotes at end of next table.

## Selected monthly indicators

	Annual		1982				1983			
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July p
Monthly data seasonally adjusted except as noted										
Industrial production, total <sup>1</sup> (1967=100) . . . . .	147.1	151.0	138.6	138.8	138.1	140.0	142.6	144.4	146.0	148.6
Manufacturing (1967=100) . . . . .	148.7	150.4	137.6	138.1	138.2	140.4	143.1	145.0	146.8	149.4
Durable (1967=100) . . . . .	136.7	140.5	124.7	125.9	123.9	126.3	129.1	131.0	133.0	136.1
Non durable (1967=100) . . . . .	161.2	164.8	156.2	155.7	159.0	160.7	163.3	165.1	166.9	168.6
Leading economic indicators <sup>1,3</sup> (1967=100) . . . . .	138.2	140.9	136.8	136.2	147.6	150.5	152.4	154.2	157.2	157.7
Employment <sup>4</sup> (mil. persons) . . . . .	99.3	100.4	99.5	99.6	99.1	99.1	99.5	99.6	100.8	101.3
Unemployment rate <sup>4</sup> (%) . . . . .	7.1	7.6	9.7	9.8	10.4	10.3	10.2	10.1	10.0	9.5
Personal income <sup>1</sup> (\$ bil. annual rate) . . . . .	2,165.3	2,435.0	2,578.6	2,589.8	2,650.5	2,670.1	2,689.1	2,722.3	2,735.6	2,751.0
Hourly earnings in manufacturing <sup>5</sup> (\$) . . . . .	7.27	7.99	8.50	8.55	8.75	8.74	8.77	8.78	8.81	8.86
Money stock-M1 (daily avg.) (\$bil.) <sup>2</sup> . . . . .	*414.5	*440.6	*478.2	454.4	491.1	497.6	496.5	507.4	511.7	515.5
Money stock-M2 (daily avg.) (\$bil.) <sup>2</sup> . . . . .	*1,656.1	*1,794.9	*1,959.5	1,880.9	2,050.8	2,069.9	2,074.8	2,096.2	2,114.3	2,125.4
Three-month Treasury bill rate <sup>3</sup> (%) . . . . .	11.506	14.077	10.686	11.914	8.130	8.304	8.252	8.185	8.82	9.12
Aaa corporate bond yield (Moody's) <sup>5,7</sup> (%) . . . . .	11.94	14.17	13.79	14.61	12.01	11.73	11.51	11.46	11.74	12.15
Interest rate on new home mortgages <sup>5,8</sup> (%) . . . . .	12.66	14.70	15.14	15.70	13.16	13.41	12.42	12.67	12.36	12.49
Housing starts, private (incl. farm) (thou.) . . . . .	1,292	1,084	1,062	1,185	1,784	1,605	1,506	1,807	1,752	1,741
Auto sales at retail, total <sup>1</sup> (mil.) . . . . .	9.0	8.5	8.0	7.4	8.2	8.4	8.5	9.1	10.1	9.7
Business sales, total <sup>1</sup> (\$ bil.) . . . . .	327.3	356.1	344.2	347.7	341.5	348.0	351.4	364.1	371.6p	—
Business inventories, total <sup>1</sup> (\$ bil.) . . . . .	492.9	526.2	511.9	521.1	507.7	503.2	504.8	505.7	505.0p	—
Sales of all retail stores (\$ bil.) <sup>9</sup> . . . . .	80.2	87.3	89.6	89.5	91.2	93.3	95.4	98.4	98.7p	98.7
Durable goods stores (\$ bil.) . . . . .	24.4	26.3	26.7	26.1	27.5	29.2	30.7	32.1	32.3p	32.1
Non durable goods stores (\$ bil.) . . . . .	55.8	61.0	62.9	63.3	63.7	64.1	64.8	66.3	66.4p	66.6
Food stores (\$ bil.) . . . . .	18.1	19.8	20.8	21.2	21.3	21.5	21.6	22.0	21.8p	22.1
Eating and drinking places (\$ bil.) . . . . .	7.2	7.8	8.6	9.0	9.7	9.8	9.8	9.9	9.8p	10.0
Apparel and accessory stores (\$ bil.) . . . . .	3.7	4.0	4.1	4.4	4.3	4.3	4.5	4.7	4.7p	4.7

<sup>1</sup> Department of Commerce. <sup>2</sup> Board of Governors of the Federal Reserve System. <sup>3</sup> Composite index of 12 leading indicators. <sup>4</sup> Department of Labor, Bureau of Labor Statistics. <sup>5</sup> Not seasonally adjusted. <sup>6</sup> December of the year listed. <sup>7</sup> Moody's Investors Service. <sup>8</sup> Federal Home Loan Bank Board. <sup>9</sup> Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary.

## U.S. Agricultural Trade

### Prices of principal U.S. agricultural trade products

	Annual		1982				1983			
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July
<b>Export commodities:</b>										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	4.78	4.80	4.38	4.15	4.50	4.55	4.56	4.43	4.11	4.04
Corn, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.28	3.40	2.80	2.87	3.00	3.16	3.40	3.42	3.45	3.59
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	3.38	3.28	2.81	2.67	3.12	3.18	3.38	3.47	3.41	3.25
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.) . . . . .	7.39	7.40	6.36	6.55	6.18	6.20	6.58	6.49	6.33	6.83
Soybean oil, Decatur (cts./lb.) . . . . .	23.63	21.07	18.33	19.03	17.28	17.72	19.38	19.80	19.71	21.58
Soybean meal, Decatur (\$/ton) . . . . .	196.47	218.65	179.70	180.69	175.68	178.67	187.18	183.90	176.05	191.25
Cotton, 10 market avg. spot (cts./lb.) . . . . .	81.13	71.93	60.10	64.96	61.72	66.05	65.34	66.91	70.69	70.27
Tobacco, avg. price of auction (cts./lb.) . . . . .	142.29	156.48	172.20	161.00	174.92	174.46	174.46	175.49	174.92	174.92
Rice, f.o.b. mill, Houston (\$/cwt.) . . . . .	21.89	25.63	18.89	17.75	19.00	19.00	19.00	19.00	19.10	19.40
Inedible tallow, Chicago (cts./lb.) . . . . .	18.52	15.27	12.85	13.63	12.00	12.50	13.56	13.75	13.19	12.06
<b>Import commodities:</b>										
Coffee, N.Y. spot (\$/lb.) . . . . .	1.64	1.27	1.41	1.40	1.30	1.28	1.27	1.28	1.28	1.28
Sugar, N.Y. spot (cts./lb.) . . . . .	30.10	19.73	19.86	22.15	21.76	21.87	22.43	22.60	22.54	22.09
Rubber, N.Y. spot (cts./lb.) . . . . .	73.80	56.79	45.48	46.77	49.10	56.14	58.22	56.78	55.36	58.21
Cocoa beans, N.Y. (\$/lb.) . . . . .	1.14	.90	.75	.66	.84	.80	.81	.90	1.00	1.00
Bananas, f.o.b. port of entry (\$/40-lb. box) . . . . .	6.89	7.28	6.80	5.94	6.90	7.38	8.70	10.06	9.16	9.13

n.a. = not available.

**U.S. agricultural exports by regions**

Region and country <sup>1</sup>	October-May		May		Change from year earlier	
	1981/82	1982/83	1982	1983	October-May	May
			\$ mil.	percent		
<b>Western Europe</b>	8,904	7,240	1,070	664	-19	-38
European Community (EC-10)	6,707	5,509	834	529	-18	-37
Belgium-Luxembourg	651	585	73	61	-10	-16
France	503	395	60	24	-21	-60
Germany, Fed. Rep.	1,259	1,036	133	118	-18	-11
Greece	146	135	23	15	-8	-35
Italy	724	590	100	61	-19	-39
Netherlands	2,584	2,075	349	171	-20	-51
United Kingdom	679	553	84	61	-19	-27
Other Western Europe	2,198	1,731	236	135	-21	-43
Portugal	391	434	39	54	+11	+38
Spain	1,216	823	150	32	-32	-79
<b>Eastern Europe</b>	718	532	79	74	-26	-6
German Dem. Rep.	202	92	20	6	-54	-70
Poland	124	161	12	29	+30	+142
Romania	106	70	8	5	-34	-37
<b>USSR</b>	2,207	936	184	6	-58	-97
<b>Asia</b>	9,822	9,168	1,165	1,046	-7	-10
West Asia	1,033	934	91	101	-10	+11
Iran	90	1	2	0	-99	+100
Iraq	96	178	20	37	+85	+85
Israel	227	184	13	8	-19	-38
Saudi Arabia	317	301	35	31	-5	-11
South Asia	440	896	45	123	+104	+173
India	248	680	6	91	+174	+1,417
Pakistan	112	84	3	17	-25	+467
East and Southeast Asia	8,349	7,339	1,029	822	-12	-20
China	1,279	512	120	4	-60	-67
Taiwan	806	828	89	105	+3	+18
Japan	4,109	3,894	499	450	-5	-10
Korea, Rep.	1,039	1,095	182	151	+5	-17
<b>Africa</b>	1,726	1,383	232	209	-20	-10
North Africa	1,014	880	151	153	-13	+1
Algeria	169	113	27	32	-33	+19
Egypt	641	600	107	102	-6	-5
Morocco	126	133	12	8	+6	-33
Other Africa	712	503	81	56	-29	-37
Nigeria	383	178	32	10	-54	-68
<b>Latin America and Caribbean</b>	3,402	2,977	423	465	-12	+10
Brazil	401	249	56	29	-38	-48
Caribbean Islands	499	506	58	59	+1	+2
Central America	220	206	29	28	-6	-3
Colombia	175	175	27	18	0	-33
Mexico	1,128	1,103	136	228	-2	+68
Peru	200	139	29	21	-30	-28
Venezuela	513	374	55	54	-27	-2
<b>Canada</b>	1,254	1,203	167	164	-4	-2
Canadian Transshipments	387	214	69	33	-45	-52
<b>Oceania</b>	220	153	15	19	-30	+27
Total	28,639	23,807	3,403	2,680	-17	-21

<sup>1</sup> Not adjusted for transshipments through Canada. <sup>2</sup> Less than \$500,000.

**U.S. agricultural imports**

	October-May				May			
	1981/82	1982/83	1981/82	1982/83	1982	1983	1982	1983
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Live animals, excluding poultry . . . . .	—	—	271,345	382,433	—	—	39,365	49,457
Meat and preparations, excl. Poultry (mt) . . .	514	613	1,172,441	1,375,586	76	85	171,040	189,119
Beef and veal (mt) . . . . .	368	429	786,297	882,074	53	61	109,515	130,796
Pork (mt) . . . . .	130	168	337,876	451,855	19	21	52,478	50,764
Dairy products, excluding eggs . . . . .	—	—	377,121	433,175	—	—	43,102	45,407
Poultry and poultry products . . . . .	—	—	43,182	56,684	—	—	4,963	8,432
Grains and preparations . . . . .	—	—	226,540	282,773	—	—	30,259	36,973
Wheat and flour (mt) . . . . .	4	112	1,320	13,158	1	1	206	202
Rice (mt) . . . . .	9	13	5,471	6,830	2	2	1,028	1,024
Feed grains (mt) . . . . .	143	142	24,348	18,963	23	24	3,673	3,064
Other . . . . .	—	—	195,401	243,822	—	—	26,362	32,883
Fruits, nuts, and preparations . . . . .	—	—	1,059,319	1,257,754	—	—	177,602	192,829
Bananas, Fresh (mt) . . . . .	1,596	1,676	347,770	376,794	263	224	57,474	52,248
Vegetables and preparations . . . . .	—	—	850,799	878,727	—	—	123,701	122,856
Sugar and preparations, incl. honey . . . . .	—	—	1,068,320	836,754	—	—	52,619	150,473
Sugar, cane or beet (mt) . . . . .	2,734	1,736	944,132	666,190	129	302	36,240	123,213
Coffee, tea, cocoa, spices, etc. (mt) . . . . .	1,045,909	1,227,916	2,514,960	2,813,245	137	138	338,999	323,900
Coffee, green (mt) . . . . .	672	719	1,707,750	1,856,279	89	90	239,309	232,353
Cocoa beans (mt) . . . . .	132	208	237,510	317,026	17	15	28,888	22,967
Feeds and fodders . . . . .	—	—	71,506	82,961	—	—	9,205	12,513
Protein meal (mt) . . . . .	37	59	6,013	9,583	3	6	481	1,056
Beverages, incl. distilled alcohol (hl) . . . . .	6,957	7,697	782,547	866,342	1,000	1,027	111,607	114,478
Tobacco, unmanufactured (mt) . . . . .	104	125	282,570	370,283	14	17	38,146	51,905
Hides, skins, and furskins . . . . .	—	—	162,782	142,199	—	—	16,482	15,003
Oilseeds . . . . .	—	—	56,786	52,708	10	12	6,084	6,405
Soybeans (mt) . . . . .	6	4	1,449	827	2	( <sup>1</sup> )	394	128
Wool, unmanufactured (mt) . . . . .	30	23	108,535	78,146	4	3	12,650	8,847
Cotton, unmanufactured (mt) . . . . .	9	6	7,151	4,761	3	1	3,462	339
Fats, oils, and greases (mt) . . . . .	8	8	5,772	5,467	1	1	754	636
Vegetable oils and waxes (mt) . . . . .	462	491	276,112	247,901	62	62	37,467	31,281
Rubber and allied gums (mt) . . . . .	451	459	410,516	381,072	59	65	46,327	57,568
Other . . . . .	—	—	505,812	552,548	—	—	72,206	76,758
Total . . . . .	—	—	10,254,116	11,101,519	—	—	1,338,040	1,495,179

<sup>1</sup> Less than 500,000. Note: 1 metric ton (mt) = 2,204.622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

### U.S. agricultural exports

	October-May				May			
	1981/82		1982/83		1981/82		1982/83	
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excluding poultry . . . . .	—	—	142,294	131,286	—	—	9,391	12,466
Meat and preps., excluding								
poultry (mt) . . . . .	301	279	672,716	640,582	48	32	112,411	74,706
Dairy products, excluding eggs . . . . .	—	—	265,708	232,161	—	—	23,028	32,638
Poultry and poultry products . . . . .	—	—	427,754	310,888	—	—	44,970	37,551
Grains and preparations . . . . .	—	—	11,539,053	9,180,126	—	—	1,380,586	1,087,770
Wheat and wheat flour (mt) . . . . .	30,825	25,646	5,321,713	4,183,620	3,290	2,772	545,118	448,553
Rice, milled (mt) . . . . .	1,432	1,046	657,699	434,608	209	128	84,920	52,538
Feed grains, excluding								
products (mt) . . . . .	42,310	37,593	5,175,966	4,272,323	5,752	4,035	694,655	532,938
Other . . . . .	—	—	383,875	289,575	—	—	55,893	53,741
Fruits, nuts, and preparations . . . . .	—	—	1,359,460	1,265,291	—	—	154,614	142,075
Vegetables and preparations . . . . .	—	—	1,127,860	697,928	—	—	102,289	87,318
Sugar & preps., including honey . . . . .	—	—	138,130	52,283	—	—	8,908	5,299
Coffee, tea, cocoa, spices, etc. (mt) . . . . .	35	32	149,242	132,000	4	3	15,638	14,370
Feeds and fodders . . . . .	—	—	1,929,351	1,904,380	—	—	238,865	198,481
Protein meal (mt) . . . . .	5,250	5,118	1,201,648	1,113,704	603	444	137,918	97,005
Beverages, excl. distilled								
alcohol (lt.) . . . . .	39,250	42,293	21,021	24,155	8,017	8,176	4,501	4,779
Tobacco, unmanufactured (mt) . . . . .	200	186	1,159,059	1,121,664	25	16	138,721	92,319
Hides, skins, and furkins . . . . .	—	—	764,550	716,588	—	—	84,953	81,751
Oilseeds . . . . .	—	—	5,361,004	4,468,932	—	—	715,044	433,221
Soybeans (mt) . . . . .	19,244	18,171	4,950,912	4,192,512	2,465	1,592	643,419	384,623
Wool, unmanufactured (mt) . . . . .	3	4	30,931	29,853	1	(1)	6,396	4,262
Cotton, unmanufactured (mt) . . . . .	1,166	837	1,655,907	1,150,545	118	110	152,643	158,677
Fats, oils, and greases (mt) . . . . .	1,051	1,017	488,206	411,460	94	134	44,289	54,955
Vegetable oils and waxes (mt) . . . . .	1,019	1,104	609,859	598,621	108	131	66,629	74,085
Rubber and allied gums (mt) . . . . .	7	8	13,121	13,544	1	1	1,994	1,542
Other . . . . .	—	—	783,820	724,653	—	—	97,521	81,640
Total . . . . .	—	—	28,639,046	23,806,940	—	—	3,403,391	2,679,905

<sup>1</sup> Less than 500,000.

### Trade balance

	October-May				May			
	1981/82		1982/83		1982		1983	
	\$ Mil.							
Agricultural exports . . . . .	28,639		23,807		3,403		2,680	
Nonagricultural exports . . . . .	118,991		105,835		15,186		13,175	
Total exports <sup>1</sup> . . . . .	147,630		129,642		18,589		15,855	
Agricultural imports . . . . .	10,254		11,102		1,338		1,495	
Nonagricultural imports . . . . .	154,342		146,712		19,301		20,224	
Total Imports <sup>2</sup> . . . . .	164,596		157,814		20,639		21,719	
Agricultural trade balance . . . . .	18,385		12,705		2,065		1,185	
Nonagricultural trade balance . . . . .	-35,351		-40,877		-4,115		-7,049	
Total trade balance . . . . .	-16,966		-28,172		-2,050		-5,864	

<sup>1</sup> Domestic exports including Department of Defense shipments (F.A.S. value). <sup>2</sup> Imports for consumption (customs value).

# World Agricultural Production

## World supply and utilization of major crops

	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83 F	1983/84 F
Mil. units							
<b>Wheat:</b>							
Area (hectare) . . . . .	227.1	228.9	227.6	236.6	239.3	238.8	229.5
Production (metric ton) . . . . .	384.1	446.8	422.8	441.1	449.2	480.4	480.4
Exports (metric ton) <sup>1</sup> . . . . .	72.8	72.0	86.0	94.1	101.7	97.8	98.5
Consumption (metric ton) <sup>2</sup> . . . . .	399.3	430.2	443.5	446.5	442.6	468.2	467.5
Ending stocks (metric ton) <sup>3</sup> . . . . .	84.3	100.9	80.4	78.6	85.1	97.4	110.3
<b>Coarse grains:</b>							
Area (hectare) . . . . .	345.1	342.8	341.1	342.3	349.3	341.4	336.8
Production (metric ton) . . . . .	700.8	753.6	741.5	730.0	765.5	779.6	718.3
Exports (metric ton) <sup>1</sup> . . . . .	84.0	90.2	98.6	108.1	98.2	89.0	92.4
Consumption (metric ton) <sup>2</sup> . . . . .	692.0	748.1	740.3	740.8	733.0	746.9	772.8
Ending stocks (metric ton) <sup>3</sup> . . . . .	85.9	91.2	91.6	82.0	114.5	147.2	90.7
<b>Rice, milled:</b>							
Area (hectare) . . . . .	143.2	144.1	143.1	144.5	145.2	141.4	144.9
Production (metric ton) . . . . .	249.0	260.7	253.9	267.2	277.9	281.3	282.7
Exports (metric ton) <sup>1</sup> . . . . .	9.5	11.6	12.7	13.1	11.7	12.6	11.8
Consumption (metric ton) <sup>2</sup> . . . . .	244.0	255.8	257.8	268.4	278.8	286.7	283.6
Ending stocks (metric ton) <sup>3</sup> . . . . .	22.8	27.7	23.4	22.1	21.3	15.9	15.0
<b>Total grains:</b>							
Area (hectare) . . . . .	715.8	715.8	711.8	723.4	733.8	721.6	711.0
Production (metric ton) . . . . .	1,333.8	1,461.1	1,418.2	1,438.3	1,492.6	1,541.3	1,479.4
Exports (metric ton) <sup>1</sup> . . . . .	166.2	173.8	197.5	215.3	211.8	199.4	202.7
Consumption (metric ton) <sup>2</sup> . . . . .	1,335.3	1,434.1	1,441.9	1,455.7	1,454.4	1,501.8	1,523.9
Ending stocks (metric ton) <sup>3</sup> . . . . .	193.1	219.8	195.4	182.7	220.9	260.5	216.0
<b>Oilseeds and meals:<sup>4</sup></b>							
Production (metric ton) . . . . .	78.4	82.1	95.1	84.3	90.4	97.0	90.4
Trade (metric ton) . . . . .	38.6	40.6	46.2	44.1	46.5	47.3	48.0
<b>Fats and Oils:<sup>5</sup></b>							
Production (metric ton) . . . . .	46.3	48.5	53.1	50.5	55.6	58.6	56.9
Trade (metric ton) . . . . .	18.3	19.3	20.8	20.0	21.0	21.2	21.7
<b>Cotton:</b>							
Area (hectare) . . . . .	32.8	32.4	32.2	32.4	33.2	32.3	31.7
Production (bale) . . . . .	64.1	60.0	65.5	65.3	70.7	67.6	66.3
Exports (bale) . . . . .	19.1	19.8	22.7	19.7	20.0	18.0	18.5
Consumption (bale) . . . . .	60.0	62.4	65.3	65.8	65.9	67.3	69.4
Ending stocks (bale) . . . . .	25.0	22.1	23.0	23.5	27.9	28.0	24.5

F = Forecast. <sup>1</sup>Excludes intra-EC trade. <sup>2</sup>Where stocks data not available (excluding USSR), consumption includes stock changes. <sup>3</sup>Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; Includes estimated change in USSR grain stocks but not absolute level. <sup>4</sup>Soybean meal equivalent. <sup>5</sup>Calendar year data, 1977 data corresponds with 1976/77, etc. Excludes safflower, sesame, and castor oil. — = no forecast.



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100

80

60

40

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140

120

100

Index of prices paid by farmers<sup>□</sup>

80

Ratio of prices received to prices paid by farmers

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